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LEGISLATIVE HISTORY

Public Law 518--78th Congress

Chapter 623--2d Session

S. 1688

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DIGEST OF PUBLIC LAW 518

COMPROMISE, ADJUSTMENT, OR CANCELLATION OF INDEBTEDNESS. Authorizes and directs the Secretary of Agriculture to compromise, adjust, or cancel indebtedness arising from loans and payments made or credit extended to farmers under the provisions of several laws and programs administered by the Department, on finding by the Secretary after such investigation as he deems sufficient to establish the facts that (1) said indebtedness has been due and payable five years or more; (2) the debtor is unable to pay said indebtedness in full and has no reasonable prospect of being able to do so; (3) the debtor has acted in good faith in an effort to meet his obligations; and (4) the principal amount of the indebtedness is not in excess of \$1,000. The act also authorizes the Secretary to cancel and discharge indebtedness arising under the acts of Congress or programs enumerated in the bill when (1) the amount of the indebtedness is less than \$10; or (2) the debtor is deceased and there is no reasonable prospect of recovering from his estate; or (3) his whereabouts has remained unknown for two years and there is no reasonable prospect of obtaining collection; or (4) he has been discharged of the indebtedness in bankruptcy proceedings. The acts and programs enumerated in the act, under which these debts have developed, are primarily (1) the emergency crop and feed loans and the 1934-5 drouth relief loans administered by FCA, and (2) the rural rehabilitation loans and certain other activities of the Resettlement Administration and its successor agency, the FSA. Relatively minor amounts are involved in the debts growing out of programs administered by AAA and related agencies, and activities of the CCC and FCIC. It is estimated that approximately \$130,000,000 now five or more years past due is outstanding on emergency seed and feed loans and the 1934 drouth relief loans, and approximately \$50,000,000 in debts arising from Resettlement and Farm Security Administration loan programs. The total of all other debts which will now be subject to compromise under the bill probably is not in excess of \$1,500,000. Of the total of slightly more than \$180,000,000 probably about \$165,000,000 will come within the \$1,000 limitation established in the act.

INDEX AND SUMMARY OF HISTORY ON S. 1688

February 3, 1944	S. 1688 was introduced by Senator Bushfield and others, and was referred to the Senate Committee on Agriculture and Forestry. Print of the bill as introduced.
September 5, 1944	Senate Committee reported S. 1688 with amendments. Senate Report 1071. Print of the bill as reported.
September 13, 1944	S. 1688 was discussed in the Senate and passed over.
September 21, 1944	S. 1688 was discussed in the Senate and passed with amendments.
November 16, 1944	S. 1688 was referred to the House Committee on Agriculture. Print of the bill as referred.
December 1, 1944	House Committee reported S. 1688 without amendment. House Report 2006. Print of the bill as reported.
December 11, 1944	S. 1688 discussed in the House and passed with amendment.
December 12, 1944	Senate concurred in the House amendment.
December 20, 1944	Approved. Public Law 518.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 3 (legislative day, JANUARY 24), 1944

Mr. BUSHFIELD (for himself, Mr. NYE, Mr. WHEELER, Mr. LA FOLLETTE, Mr. GURNEY, and Mr. WHERRY) introduced the following bill: which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Governor of the Farm Credit Administration, here-
4 inafter referred to as the Governor, is hereby authorized
5 and directed to compromise, adjust, or cancel indebtedness
6 arising from loans made to farmers under the provisions of
7 the several Acts of Congress enumerated in clause (a) of
8 section 2, and the Secretary of Agriculture, hereinafter re-
9 ferred to as the Secretary, is hereby authorized and directed
10 to compromise, adjust, or cancel indebtedness arising from

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7 the several Acts of Congress enumerated in clause (a) of
8 section 2, and the Secretary of Agriculture, hereinafter re-
9 ferred to as the Secretary, is hereby authorized and directed
10 to compromise, adjust, or cancel indebtedness arising from

1 payments made to farmers under the provisions of the
2 several Acts of Congress enumerated in clause (b) of sec-
3 tion 2, or loans made to farmers under the provisions of
4 the several Acts of Congress enumerated in clause (c) of
5 section 2, provided the Governor or the Secretary, as the
6 case may be, finds, after such investigation as he deems
7 sufficient to establish the facts, that (1) said indebtedness
8 has been due and payable for three years or more; (2) the
9 debtor is unable to pay said indebtedness in full and has no
10 reasonable prospect of being able to do so; and (3) the
11 debtor has acted in good faith in an effort to meet this obli-
12 gation. Such compromise, adjustment, or cancelation shall
13 be effected through such agencies, upon such terms and
14 conditions, and subject to such regulations, as the Governor
15 or the Secretary, as the case may be, may prescribe. The
16 Governor or the Secretary, as the case may be, is hereby
17 further authorized at his discretion to cancel and discharge
18 indebtedness arising under said Acts of Congress when the
19 amount of said indebtedness is less than \$10. In any case
20 in which the principal amount of any indebtedness arising
21 out of a contract entered into prior to January 1, 1941, is
22 compromised or adjusted under the provisions of this Act,
23 the Governor or the Secretary, as the case may be, shall
24 cancel all unpaid interest accrued on such indebtedness
25 prior to January 1, 1941. Upon compromise, adjustment,

1 or cancelation of any indebtedness hereunder by the Gover-
2 nor or the Secretary, the certifying officers and the disburs-
3 ing officers shall be relieved of any liability with respect to
4 such indebtedness and the Comptroller General of the United
5 States is hereby authorized and directed not to raise charges
6 with respect to such indebtedness against said certifying
7 officers and to allow credit with respect to such indebtedness
8 in the accounts of the disbursing officers.

9 SEC. 2. The provisions of this Act shall apply to any
10 indebtedness of farmers arising from loans or payments made
11 to them under any of the following Acts: (a) July 1, 1918
12 (40 Stat. 635) ; March 3, 1921 (41 Stat. 1347) ; March
13 20, 1922 (42 Stat. 437) ; April 26, 1924 (43 Stat. 110) ;
14 February 25, 1927 (44 Stat. 1245) ; February 28, 1927
15 (44 Stat., part II, 1251) ; February 25, 1929 (45 Stat.
16 1306) , as amended May 17, 1929 (46 Stat. 3) ; March 3,
17 1930 (46 Stat. 78-79) , as amended April 24, 1930 (46
18 Stat. 254) ; December 20, 1930 (46 Stat. 1032) , as
19 amended February 14, 1931 (46 Stat. 1160) ; February 23,
20 1931 (46 Stat. 1276) ; January 22, 1932 (47 Stat. 5) ;
21 February 4, 1933 (47 Stat. 795) ; February 23, 1934 (48
22 Stat. 354) ; June 19, 1934 (48 Stat. 1056) ; February 20,
23 1935 (49 Stat. 28) ; March 21, 1935 (49 Stat. 50) ; April
24 8, 1935 (49 Stat. 115) ; (Executive Order Numbered
25 7305) ; January 29, 1937 (50 Stat. 5) ; and February 4,

1 1938 (52 Stat. 27) ; (b) Agricultural Adjustment Act (of
2 1933) ; Bankhead Cotton Act of April 21, 1934, on account
3 of the several cotton tax-exemption certificate pools ; Jones-
4 Connally Cattle Act of April 7, 1934 ; Emergency Appro-
5 priation Act, fiscal year 1935, approved June 19, 1934 ;
6 Kerr Tobacco Act of June 28, 1934, and Public Resolution
7 Numbered 76, approved March 14, 1936 ; section 32 of the
8 Act of August 24, 1935, and related legislation ; Supple-
9 mental Appropriation Act, fiscal year 1936 ; sections 7 to
10 17 of the Soil Conservation and Domestic Allotment Act ;
11 Sugar Act of 1937 ; sections 303 and 381 (a) of the Agri-
12 cultural Adjustment Act of 1938, and related or subsequent
13 legislation authorizing parity or price-adjustment payments ;
14 title IV of the Agricultural Adjustment Act of 1938 and
15 related legislation ; any amendment to any of the foregoing
16 Acts hereafter enacted ; and any other Act of Congress here-
17 tofore enacted authorizing payments to farmers under pro-
18 grams administered through the Agricultural Adjustment
19 Administration ; (c) Emergency loans made by or through
20 the Resettlement Administration and the Farm Security Ad-
21 ministration out of funds appropriated or made available by
22 the following Acts : April 8, 1935 (49 Stat. 115) ; June
23 22, 1936 (49 Stat. 1608) ; February 9, 1937 (50 Stat.
24 8) ; June 29, 1937 (50 Stat. 352) ; March 2, 1938 (52
25 Stat. 83, Public Resolution Numbered 80) ; June 21, 1938

1 (52 Stat. 809) ; June 30, 1939 (53 Stat. 927) ; June 26,
2 1940 (Public Resolution Numbered 88) ; and subsequent
3 legislation appropriating or making available funds for such
4 loans.

5 SEC. 3. There is hereby authorized to be appropriated,
6 out of any money in the Treasury not otherwise appropriated,
7 such amount as may be necessary to enable the Governor to
8 carry out the provisions of this Act, and the current and sub-
9 sequent appropriations to enable the Secretary to administer
10 the respective Acts of Congress to which the aforesaid pay-
11 ments and loans relate shall also be available for the admin-
12 istrative expense of carrying out this Act.

13 SEC. 4. (a) Whoever makes any material representa-
14 tion, knowing it to be false, for the purpose of influencing in
15 any way the action of the Governor or the Secretary, or of
16 any person acting under his authority, in connection with any
17 compromise, adjustments, or cancelation of indebtedness pro-
18 vided for herein, shall, upon conviction thereof, be punished
19 by a fine of not more than \$1,000 or by imprisonment for
20 not more than one year, or both.

21 (b) No officer or employee of the United States, and
22 no person to whom the Governor or the Secretary may del-
23 egate any power or function under this Act, shall accept any
24 fee, commission, gift, or other consideration, directly or in-
25 directly, for or in connection with any transaction or business

1 related to the compromise, adjustment, or cancelation of in-
2 debtedness hereunder. Any person violating the foregoing
3 provision shall, upon conviction thereof, be punished by a
4 fine of not more than \$1,000 or by imprisonment for not
5 more than one year, or both.

A BILL

To authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

By Mr. BUSHFIELD, Mr. NYE, Mr. WHEELER,
Mr. LA FOLLETTE, Mr. GURNEY, and Mr.
WHERRY

FEBRUARY 3 (legislative day, JANUARY 24), 1944
Read twice and referred to the Committee on
Agriculture and Forestry

AUTHORIZING SECRETARY OF AGRICULTURE TO COMPROMISE, ADJUST, OR CANCEL CERTAIN INDEBTEDNESS

SEPTEMBER 5 (legislative day, SEPTEMBER 1), 1944.—Ordered to be printed

Mr. BUSHFIELD, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 1688]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1688) to authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The provisions and purposes of the bill are fully explained in the following letters from the Secretary of Agriculture:

DEPARTMENT OF AGRICULTURE,
Washington, May 31, 1944.

Hon. E. D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: In accordance with your request of February 17, 1944, we respectfully submit the following report on S. 1688, to authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, introduced by Senator Bushfield of South Dakota on February 3, 1944, for himself and Senators Nye, Wheeler, La Follette, Gurney, and Wherry.

Section 1 of the bill authorizes and directs the Governor of the Farm Credit Administration to compromise, adjust, or cancel indebtedness arising from loans made to farmers under the provisions of the several acts of Congress enumerated in section 2 (a), and authorizes and directs the Secretary of Agriculture to take similar action as to indebtedness arising from benefit and soil-conservation payments made to farmers under the provisions of the several acts of Congress enumerated in section 2 (b), or from emergency loans made to farmers under the provisions of the several acts of Congress enumerated in section 2 (c), provided that in connection with each such debt the Governor, or the Secretary, as the case may be, finds that: (1) Said debt has been due and payable for 3 years or more; (2) the debtor is unable to make payment in full and has no reasonable prospect of being able to do so; and (3) the debtor has acted in good faith in an effort to meet his obligation.

The Governor and the Secretary, respectively, are authorized to prescribe appropriate regulations for carrying out such compromises, adjustments, and cancellations through such agencies as they may select. Additional authority is given the Governor and the Secretary, respectively, at discretion to cancel and discharge any such debt of \$10 or less. Compromise or adjustment of the principal of a debt incurred prior to January 1, 1941, would require cancellation of all unpaid interest accrued thereon prior to that date. It is further provided that in the event of compromise, adjustment, or cancellation of any indebtedness, certifying officers and disbursing officers shall be relieved of any liability therefor, and the Comptroller General is directed not to raise charges against said officers with respect to said indebtedness, but to allow credit therefor in their accounts.

Section 2 of the bill enumerates the acts of Congress referred to in section 1, under which the indebtedness which may be compromised, adjusted, or canceled has arisen.

Section 3 authorizes an appropriation in such amount as may be necessary to enable the Governor to carry out his functions under the bill, and provides that current and subsequent appropriations made to enable the Secretary to administer the respective acts of Congress to which the aforesaid payments and loans relate shall also be available to him for administrative expenses in carrying out his functions under this bill.

Section 4 prescribes penalties for knowingly making false representations in connection with applications for compromise, adjustments, or cancellations under the bill, and for acceptance of any fee, commission, gift, or other compensation by an officer or employee of the United States, in connection with any transaction or business related to such compromise, adjustment, or cancellation.

It will be observed that the bill confers separate powers and functions upon the Secretary of Agriculture and the Governor of the Farm Credit Administration in connection with the loans which they respectively administer under present laws. Inasmuch as the Farm Credit Administration was transferred to and made a part of the Department of Agriculture (Reorganization Plan No. 1, effective July 1, 1939), it is recommended that the bill be amended by deleting therefrom reference to the Governor of the Farm Credit Administration, so that all the powers and functions provided therein will be accorded to the Secretary of Agriculture. Such an amendment would remove any question of the authority of the Secretary to prescribe by regulation departmental administrative procedures, including provisions for reviews, in connection with the exercise of authority to compromise, settle, or cancel indebtedness arising out of the so-called emergency crop and feed loans administered by the Farm Credit Administration. It may also be advisable to provide specifically that the Secretary may delegate the exercise of any such powers and functions to such officers or employees of the Department as he may designate. However, for the sake of clarity, our comments relate to the bill in its present form.

The indebtedness with which the Governor would be authorized to deal under the terms of the bill has accumulated largely by reason of successive crop failures occasioned by causes over which borrowers had no control. On December 31, 1943, the outstanding indebtedness, 3 years or more old, for Farm Credit Administration loans made under the acts of Congress enumerated in section 2 (a) of the bill, was \$139,824,171. These loans are made only to farmers who have no other means of financing their current operations, and consequently, when crop failures render it impossible for them to pay their loans from the proceeds of the related crops, they are usually without other sources of payment. If the next year's operations result in good crops, borrowers may be able to pay their current debts and also pay part or all of their old debts, but when there are successive crop failures, or short crops, the total debt becomes so large that its payment is not possible. The bill would permit compromise or adjustment of such accounts in a practical way.

It appears that the Farm Credit Administration is charged with the duty of collecting certain indebtedness of farmers to the United States which has arisen by reason of loans made under two acts of Congress not mentioned in section 2 (a) of the bill, viz:

1. The act of Congress approved February 14, 1931 (46 Stat., 1160), as amended by the act approved March 3, 1932 (47 Stat. 60): Under this act the Secretary of Agriculture made loans to farmers to enable them to purchase the capital stock of agricultural credit corporations and livestock loan companies, the stock so purchased being pledged as security for the loans. Administration of these loans was transferred to the Farm Credit Administration by Executive Order No. 6084, dated March 27, 1933. The Farm Credit Administration now holds the notes of

some 381 farmers, evidencing such loans of an aggregate face amount of \$278,797. In most cases the stock pledged as security has become worthless.

2. The Agricultural Marketing Act, approved June 15, 1929 (46 Stat. 11): In the course of liquidating loans made to cooperative associations under this act, the United States has become the owner of about 475 notes of individual farmers, having an aggregate face value of \$151,197, and 1,575 accounts receivable aggregating \$134,661. (These totals, of course, do not include notes and accounts which have been pledged to the United States (Farm Credit Administration) as collateral in connection with loans made from the Agricultural Marketing Act revolving fund.)

If it is deemed advisable to include the debts (described in pars. Nos. "1" and "2" above) within the provisions of S. 1688, it is suggested that subsection (a) of section 2 be amended by adding at the end thereof the following: "Act of Congress approved December 20, 1930 (46 Stat. 1032), as amended by the Act of February 14, 1931 (46 Stat. 1160); March 3, 1932 (47 Stat. 60)" and by adding at the end of section 2, the following; "This Act shall also apply to any indebtedness of farmers evidenced by notes or accounts receivable, title to which has been acquired in the liquidation of loans to cooperative associations made under the provisions of the Act of June 15, 1929 (46 Stat. 11)."

The same considerations which indicate the desirability of authorizing the compromise, adjustment, or cancellation of indebtedness arising under the acts enumerated in section 2 (a) of the bill are applicable to the indebtedness arising from emergency and other loans made by the Resettlement Administration and the Farm Security Administration. On December 31, 1943, the outstanding indebtedness, 3 years or more old, and due, on such loans made by the Resettlement Administration and Farm Security Administration was estimated at approximately \$62,000,000.

Indebtedness has arisen in connection with programs administered by the Secretary through the Agricultural Adjustment Agency when payments are made to farmers and it is subsequently determined that they were not entitled to them, or were entitled to less amounts. This indebtedness may be classified generally under two heads: (1) Indebtedness arising by reason of failure of participants in the programs to meet the requirements of the regulations providing for payment, (2) indebtedness arising by reason of administrative error.

The total number of these cases has been not more than one case out of every 1,000 handled. In order to effect recoveries, the Agricultural Adjustment Agency has caused to be maintained a register of indebtedness, and has made written demands and taken other appropriate steps toward obtaining refunds. As a result, many refunds have been received. Also, many set-offs are being made against other payments due the debtors under the farm programs. However, after the period of 3 years has elapsed without curtailment of the indebtedness during that time, it is thought that in the majority of the cases no further action by the Government is warranted, or that a compromise of the indebtedness would be justified in view of the circumstances surrounding the individual case. In reaching this conclusion, it is considered that in many cases the persons from whom the indebtedness is due have died or are no longer farming and hence are not earning payments and are financially unable to pay. Moreover, the cost to the Government of continuing its efforts to make recovery in connection with these cases appears prohibitive since the average indebtedness is approximately \$15. On December 31, 1943, the total of such indebtedness, 3 years or more old, was estimated to be \$850,000.

It is noted that section 2 of the bill, which enumerates the acts of Congress referred to in section 1, under which the indebtedness which may be compromised, adjusted, or canceled has arisen, does not include indebtedness of farmers to the Commodity Credit Corporation arising under its commodity loan, purchase, sale, and other programs. It also fails to include indebtedness arising in connection with crop-insurance programs formulated pursuant to the Federal Crop Insurance Act, from the failure to pay premiums in full or overpayment of indemnities. The same considerations which point to the desirability of granting the powers provided in the bill in connection with other payments and loans to farmers would apply with equal force to loans or payments made or credit extended by the Commodity Credit Corporation, or indebtedness arising in connection with the crop-insurance program. It is recommended, therefore, that the bill be amended so as to cover indebtedness arising from commodity loan, purchase, sale, or other programs of the Commodity Credit Corporation and crop insurance programs. This may be accomplished by amendments to the bill, as follows:

In line 3 on page 2 delete the word "made" and insert immediately after the word "loans" the words "or payments made or credit extended".

In line 4 on page 2 insert immediately after the words "Acts of Congress" the words "or programs".

In line 18 on page 2 insert after the words "Acts of Congress" the words "or programs".

In line 11 on page 3 insert immediately before the words "to them" the words "or credit extended"; and insert after the word "Acts" the words "or programs".

In line 14 on page 4 insert immediately after the expression "title IV" the expression "and title V".

In line 4 on page 5 strike out the period and insert in lieu thereof a semicolon and the following: "commodity loan, purchase, sale and other programs of the Commodity Credit Corporation; and crop insurance programs formulated pursuant to title V of the Agricultural Adjustment Act of 1938 (the Federal Crop Insurance Act) and any amendment or supplement thereto heretofore or hereafter enacted."

On December 31, 1943, the outstanding indebtedness, 3 years or more old, on loans made under the commodity-loan programs of the Commodity Credit Corporation was \$473,777. The total indebtedness to the Federal Crop Insurance Corporation, 3 years or more old, is at present approximately \$25,000.

The total outstanding indebtedness, 3 years or more old, for all bureaus of the Department, was thus \$203,737,603 as of December 31, 1943. We are, of course, unable to estimate the possible results of compromising, adjusting, or canceling the individual debts making up the foregoing total, since under the terms of the bill the treatment accorded each debt would depend upon the financial condition of the debtor.

In some cases, it will not be possible to compromise or adjust a debt because the whereabouts of the debtor is unknown, and in such a case there would be no basis for a finding that the debtor is unable to pay the indebtedness in full and has no reasonable prospect of being able to do so. Similar considerations suggest that it would be advisable to authorize the cancellation of indebtedness at discretion where the borrower is deceased or has been discharged in bankruptcy. It is therefore recommended that the sentence commencing in line 15 and ending in line 19 on page 2 be amended by adding at the end thereof the following: "or the debtor is deceased and there is no reasonable prospect of recovering from his estate, or his whereabouts has remained unknown for two years and there is no reasonable prospect of obtaining collection, or he has been discharged of the indebtedness in any proceeding under the Act entitled 'An Act to establish a uniform system of bankruptcy throughout the United States.'"

This suggested change would permit cancellation of the debt in cases where the debtor is deceased or the creditor agency of the Government has been unable for at least 2 years to locate the debtor and the agency has been unable to locate any property belonging to him against which the Government could proceed in collecting the debt, or where the debt is uncollectible by reason of the debtor's discharge in bankruptcy.

The bill confers upon the Governor of the Farm Credit Administration and the Secretary of Agriculture, in connection with farm programs administered by the Department, the power to deal directly with farmer-debtors in working out reasonable settlements of old indebtedness of the character mentioned which the debtors are unable to pay in full. Under present law, neither the Secretary nor the Governor is authorized to effect such direct settlements, nor can they cancel debts in principal amounts of \$10 or less (as provided in the bill) even though the cost of enforcing payment of such small items would exceed possible recoveries. In consequence, there has been a gradual accumulation of uncollectible accounts which are not only difficult of administration, but which constitute a heavy burden upon many farmers. It is thought that the three conditions specified in section 1 would tend to exclude from the benefits of the proposed legislation those few debtors who might otherwise seek to take advantage of it for their private benefit. In addition, the bill imposes severe penalties upon any person who seeks to bring about compromise, adjustment, or cancellation of indebtedness in accordance with its terms by means of intentional misrepresentation of fact. However, it may be advisable to provide that the authority to compromise, adjust, or cancel indebtedness under the bill shall not extend to a case where the principal amount due exceeds \$1,000, and this Department so recommends. This change would be accomplished by deleting the word "and" immediately preceding the numeral "(3)" in line 10, replacing the period in line 12 by a semicolon, and adding a new clause (4) at the end of the first sentence of section 1 (line 12, p. 2) as follows: "and (4) the principal amount of said indebtedness is not in excess of \$1,000."

The total principal amount of outstanding indebtedness of \$1,000 or less, and 3 years or more old, is estimated to have been approximately \$188,250,000 on December 31, 1943.

Attention is called to the sentence beginning in line 19 and ending in line 25 on page 2. This would require all interest-indebtedness incurred prior to January 1, 1941, to be canceled whenever the principal indebtedness incurred prior to that date is compromised or adjusted, whereas the bill as a whole authorizes the compromise, adjustment, or cancellation, under appropriate safeguards, of the entire indebtedness whether principal or interest or both. If, for example, a borrower owing \$300 on principal and \$200 on interest accrued prior to January 1, 1941, offered \$350 in compromise of his whole debt, we would be uncertain of our authority to accept this sum, for, under the provision referred to, delinquent interest on principal would be canceled and uncollectible. Further, we believe that such a limitation of recoveries to principal only would operate to the disadvantage of the Government by restricting the financial recoveries which might otherwise be made, particularly in times of substantially improved farm and general incomes as now exist. Accordingly, we recommend deletion of this provision in its entirety.

The last sentence of section 1 would expressly remove cases compromised, adjusted, or canceled under the authority of the bill from the jurisdiction of the Comptroller General. This provision seems to have been included for the purpose of giving definite assurance that the responsible officials would not be inhibited in their execution of the congressional direction to compromise, adjust, or cancel debts of the classes specified because of concern that their conscientious execution of the duty vested in them by the statute might subject them to claims of personal responsibility in connection with the obligations thereby forgiven.

The sentence appears to have been included in the bill also for the purpose of exempting certifying officers from charges in connection with the compromise or discharge of debts arising out of erroneous overpayments. Otherwise, the liability of such officers would continue, even though compromise or cancellation of the indebtedness would be required under the first sentence of the section. In such circumstances, cases might arise where overpayments were charged to and refunded by certifying officers who would be unable to collect from the persons to whom the overpayments were made, because the indebtedness has been due or payable for 3 years or more and the debtors had met the other conditions which made cancellation of the indebtedness mandatory.

It is understood, however, that the Comptroller General is not directly concerned with the compromise, adjustment, or cancellation of indebtedness under specific statutory authority such as that which this bill would confer and, accordingly, even in the absence of such a provision as that embodied in the last sentence of section 1, would not assert jurisdiction to disapprove cancellation, compromises, or other adjustments made pursuant to the authorities expressly conferred by the bill. Accordingly, the sentence is not necessary to assure the effective exercise of those authorities.

Consequently, it seems probable that the omission of the last sentence of section 1 of the bill would not interfere with the accomplishment of the legislation's purposes, and this Department recommends its deletion. In order, however, that there may be no subsequent misunderstanding of the reasons for its omission it would seem desirable to have the legislative history show that its deletion is not to be construed as indicating a congressional purpose to subject certifying or disbursing officers to liability to any greater extent in cases disposed of under this legislation than in other cases to which the authority conferred in Public Law No. 389 may apply.

We believe to be most desirable the procedure which this bill, amended as herein recommended, would make possible. The measure would in no way deter or lessen the efforts of this Department to collect past due indebtedness nor would its enactment, we feel confident, lessen the effort of farmers to pay up old indebtedness as they are now doing with commendable earnestness as increased wartime incomes permit. But over the years there accumulate small debts which are not collectible, or collectible only in part. Under the rigid safeguards laid down, this measure would permit the disposal of small, old, uncollectible debts which otherwise must be carried on the books, audited and serviced year after year with no advantage whatever to the Government. At the same time, the establishment of the procedure outlined in the bill and recommended amendments would, we believe, by offering the possibility of fair and reasonable compromise and discharge of remaining liability, result in the recovery of substantial

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sums which otherwise would not be collected were no compromise or adjustment possible.

Should your committee decide to hold hearings on this measure, this Department would be glad to arrange for representatives to be present.

For the convenience of the committee in considering this proposed legislation, there is enclosed a draft embodying this Department's foregoing suggestions with respect to S. 1688.

Since the foregoing report was prepared the Department has reached the conclusion that the authority to compromise, adjust, or cancel indebtedness, as provided in section 1, should be related to a debt that has been due and payable for 5 years or more rather than 3 years or more. In view of your desire for an early report on the bill, we have not taken the time necessary to compile the financial data on the 5-year basis and to rewrite the report.

In view of our informal understanding that the committee desires this report immediately, we have not cleared the report with the Bureau of the Budget and are not advised as to the relationship of the proposed legislation, or of this report thereon, to the program of the President.

Sincerely,

CLAUDE R. WICKARD, *Secretary.*

DEPARTMENT OF AGRICULTURE,
Washington, June 24, 1944.

Hon. E. D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: It is desired to supplement my letter to you of May 31, 1944, in response to yours of February 17, 1944, requesting a report on S. 1688. While the discussion in my letter and the substitute bill submitted therewith were on the basis of compromising, adjusting, or canceling indebtedness which has been due and payable for 3 years or more, the penultimate paragraph of the letter stated that the Department had reached the conclusion that the authority contained in the proposed bill should be related to a debt that has been due and payable for 5 years or more.

The indebtedness with which the Secretary would deal on the 5-year basis would be \$136,826,082 for emergency crop and feed loans, instead of \$139,824,171 on the 3-year basis as stated in my letter of May 31, while the amounts with respect to debts arising under the act of February 14, 1931, and the Agricultural Marketing Act, approved June 15, 1929, would remain the same. The amount for the Farm Security Administration is estimated at \$48,400,000 instead of \$62,000,000, the Agricultural Adjustment Agency \$510,000 instead of \$850,000, and the Commodity Credit Corporation \$366,000 instead of \$473,777. The Federal Crop Insurance Corporation had no outstanding debts on December 31, 1943, which were 5 years or more old, as the Corporation was not created until 1938. Accordingly, the total outstanding indebtedness 5 years or more old for all agencies of the Department was \$186,666,737 as of December 31, 1943, instead of \$203,737,603 as stated in the letter of May 31. The total principal amount of indebtedness of \$1,000 or less, and 5 years or more old, is estimated to have been approximately \$171,480,000 on December 31, 1943.

It should be emphasized, we believe, that the major purpose of the proposed bill is not the cancellation or reduction of debts of those who might be expected to be able to pay within the foreseeable future. The authority to cancel indebtedness is primarily to permit the Department to clear from its accounting records many thousands of balances due which are too small to justify any attempt at collection or which for other reasons are uncollectible. These latter include debts contracted in good faith by farmers who have since died without leaving any estate from which to collect, or who have become superannuated without sufficient income above bare living expenses to meet such debts. In other cases the debtor has removed from the location where he resided when the loan was made and his whereabouts have remained unknown for a period of at least 2 years.

All of the foregoing classes of items create a considerable burden of expense on the Department in maintaining the open accounts and in making attempts to collect the debts or locate the debtors without hope of success.

The compromise feature of the proposed bill is not for the purpose of scaling down debts of those who are able to pay, but rather to reduce the amount of the

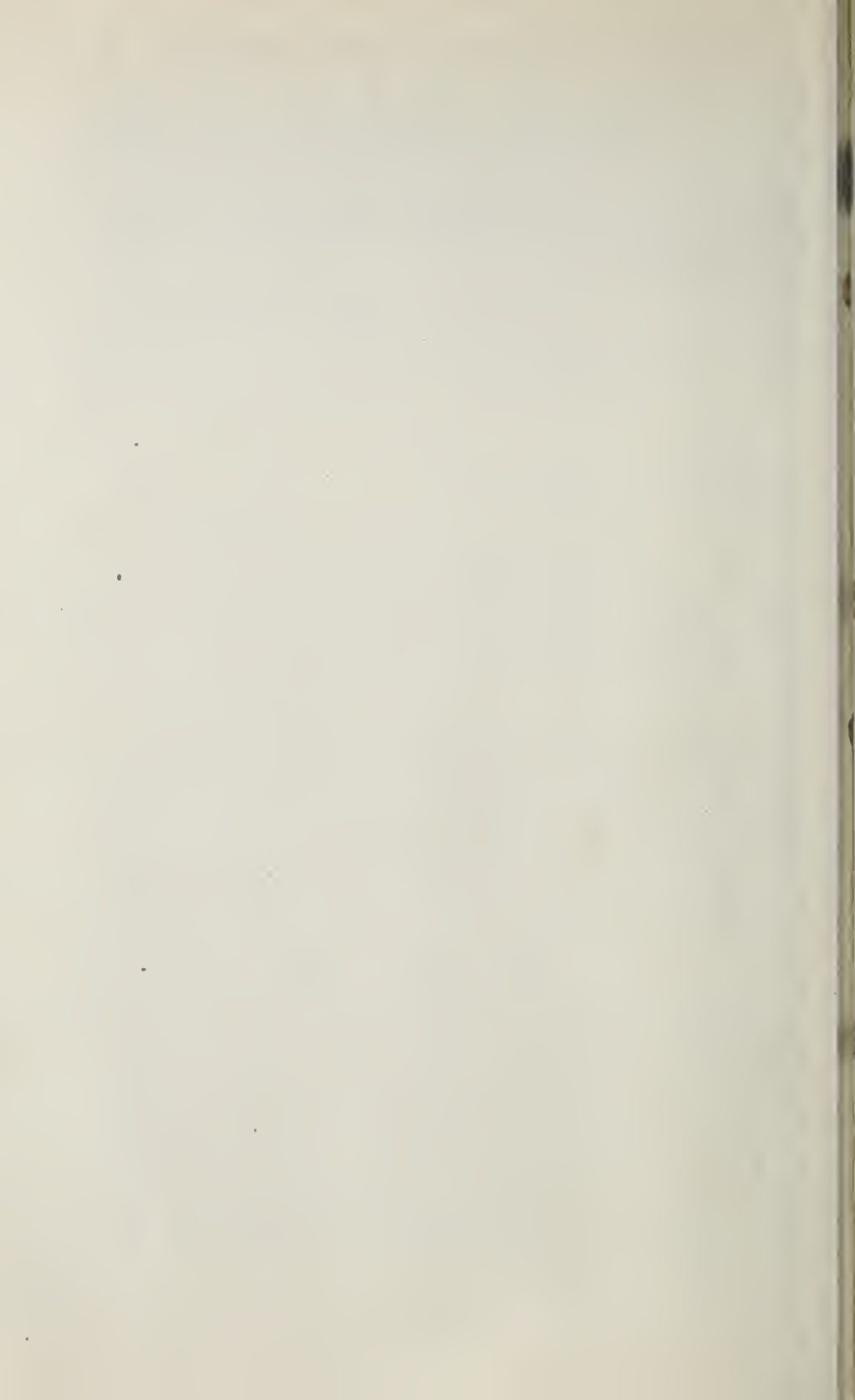
outstanding indebtedness to a figure which the debtor might be expected to pay within a reasonable period of time. Without such scaling down the debtor would become so discouraged with the mountain of debt that he would make no attempt to pay any portion of it.

Thus it appears to us that the provisions of this bill are favorable to the Government and, if enacted, will result in a saving of administrative costs and the collection of amounts which otherwise could not be collected. It is expected that should S. 1688 be enacted the Department would establish such safeguards as might be necessary to adequately protect the Government against the unwise application of such authority.

Sincerely,

CLAUDE R. WICKARD, *Secretary.*

○



Calendar No. 1087

78TH CONGRESS
2D SESSION

S. 1688

[Report No. 1071]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 3 (legislative day, JANUARY 24), 1944

Mr. BUSHFIELD (for himself, Mr. NYE, Mr. WHEELER, Mr. LA FOLLETTE, Mr. GURNEY, and Mr. WHERRY) introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

SEPTEMBER 5 (legislative day, SEPTEMBER 1), 1944

Reported by Mr. BUSHFIELD, with amendments

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Governor of the Farm Credit Administration, here-
4 inafter referred to as the Governor, is hereby authorized
5 and directed to compromise, adjust, or cancel indebtedness
6 arising from loans made to farmers under the provisions of
7 the several Acts of Congress enumerated in clause (a) of
8 section 2, and the Secretary of Agriculture, hereinafter re-
9 ferred to as the Secretary, is hereby authorized and directed

1 to compromise, adjust, or cancel indebtedness arising from
2 payments made to farmers under the provisions of the
3 several Acts of Congress enumerated in clause (b) of sec-
4 tion 2; or loans made to farmers under the provisions of
5 the several Acts of Congress enumerated in clause (c) of
6 section 2, provided the Governor or the Secretary, as the
7 case may be, finds, after such investigation as he deems
8 sufficient to establish the facts, that (1) said indebtedness
9 has been due and payable for three years or more; (2) the
10 debtor is unable to pay said indebtedness in full and has no
11 reasonable prospect of being able to do so; and (3) the
12 debtor has acted in good faith in an effort to meet this obli-
13 gation.—Such compromise, adjustment, or cancellation shall
14 be effected through such agencies, upon such terms and
15 conditions, and subject to such regulations, as the Governor
16 or the Secretary, as the case may be, may prescribe. The
17 Governor or the Secretary, as the case may be, is hereby
18 further authorized at his discretion to cancel and discharge
19 indebtedness arising under said Acts of Congress when the
20 amount of said indebtedness is less than \$10. In any case
21 in which the principal amount of any indebtedness arising
22 out of a contract entered into prior to January 1, 1941, is
23 compromised or adjusted under the provisions of this Act,
24 the Governor or the Secretary, as the case may be, shall
25 cancel all unpaid interest accrued on such indebtedness

1 prior to January 1, 1941. Upon compromise, adjustment,
 2 or cancellation of any indebtedness hereunder by the Gover-
 3 nor or the Secretary, the certifying officers and the disburs-
 4 ing officers shall be relieved of any liability with respect to
 5 such indebtedness and the Comptroller General of the United
 6 States is hereby authorized and directed not to raise charges
 7 with respect to such indebtedness against said certifying
 8 officers and to allow credit with respect to such indebtedness
 9 in the accounts of the disbursing officers.

10 SEC. 2. The provisions of this Act shall apply to any
 11 indebtedness of farmers arising from loans or payments made
 12 to them under any of the following Acts: (a) July 1, 1918
 13 (40 Stat. 635); March 3, 1921 (41 Stat. 1347); March
 14 20, 1922 (42 Stat. 437); April 26, 1924 (43 Stat. 110);
 15 February 25, 1927 (44 Stat. 1245); February 28, 1927
 16 (44 Stat., part II, 1251); February 25, 1929 (45 Stat.
 17 1306), as amended May 17, 1929 (46 Stat. 3); March 3,
 18 1930 (46 Stat. 78-79), as amended April 24, 1930 (46
 19 Stat. 254); December 20, 1930 (46 Stat. 1032), as
 20 amended February 14, 1931 (46 Stat. 1160); February 23,
 21 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5);
 22 February 4, 1933 (47 Stat. 795); February 23, 1934 (48
 23 Stat. 354); June 19, 1934 (48 Stat. 1056); February 20,
 24 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50); April
 25 8, 1935 (49 Stat. 115); (Executive Order Numbered

1 7305); January 29, 1937 (50 Stat. 5); and February 4,
 2 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of
 3 1933); Bankhead Cotton Act of April 21, 1934, on account
 4 of the several cotton tax-exemption certificate pools; Jones-
 5 Connally Cattle Act of April 7, 1934; Emergency Appro-
 6 priation Act, fiscal year 1935, approved June 19, 1934;
 7 Kerr Tobacco Act of June 28, 1934, and Public Resolution
 8 Numbered 76, approved March 14, 1936; section 32 of the
 9 Act of August 24, 1935, and related legislation; Supple-
 10 mental Appropriation Act, fiscal year 1936; sections 7 to
 11 17 of the Soil Conservation and Domestic Allotment Act;
 12 Sugar Act of 1937; sections 303 and 381 (a) of the Agri-
 13 cultural Adjustment Act of 1938, and related or subsequent
 14 legislation authorizing parity or price-adjustment payments;
 15 title IV of the Agricultural Adjustment Act of 1938 and
 16 related legislation; any amendment to any of the foregoing
 17 Acts hereafter enacted; and any other Act of Congress here-
 18 tofore enacted authorizing payments to farmers under pro-
 19 grams administered through the Agricultural Adjustment
 20 Administration; (c) emergency loans made by or through
 21 the Resettlement Administration and the Farm Security Ad-
 22 ministration out of funds appropriated or made available by
 23 the following Acts: April 8, 1935 (49 Stat. 115); June
 24 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat.
 25 8); June 29, 1937 (50 Stat. 352); March 2, 1938 (52

1 Stat. 83; Public Resolution Numbered 80); June 21, 1938
2 (52 Stat. 809); June 30, 1939 (53 Stat. 927); June 26,
3 1940 (Public Resolution Numbered 88); and subsequent
4 legislation appropriating or making available funds for such
5 loans.

6 SEC. 3. There is hereby authorized to be appropriated,
7 out of any money in the Treasury not otherwise appropriated,
8 such amount as may be necessary to enable the Governor to
9 carry out the provisions of this Act, and the current and sub-
10 sequent appropriations to enable the Secretary to administer
11 the respective Acts of Congress to which the aforesaid pay-
12 ments and loans relate shall also be available for the admin-
13 istrative expense of carrying out this Act.

14 SEC. 4. (a) Whoever makes any material representa-
15 tion, knowing it to be false, for the purpose of influencing in
16 any way the action of the Governor or the Secretary, or of
17 any person acting under his authority, in connection with any
18 compromise, adjustments, or cancellation of indebtedness pro-
19 vided for herein, shall, upon conviction thereof, be punished
20 by a fine of not more than \$1,000 or by imprisonment for
21 not more than one year, or both.

22 (b) No officer or employee of the United States, and
23 no person to whom the Governor or the Secretary may del-
24 egate any power or function under this Act, shall accept any

1 fee, commission, gift, or other consideration, directly or in-
2 directly, for or in connection with any transaction or business
3 related to the compromise, adjustment, or cancellation of in-
4 debtedness hereunder. Any person violating the foregoing
5 provision shall, upon conviction thereof, be punished by a
6 fine of not more than \$1,000 or by imprisonment for not
7 more than one year, or both.

8 *That the Secretary of Agriculture, hereinafter referred to as*
9 *the Secretary, is hereby authorized and directed to compro-*
10 *mise, adjust, or cancel indebtedness arising from loans and*
11 *payments made or credit extended to farmers under the pro-*
12 *visions of the several Acts of Congress or programs enumer-*
13 *ated in section 2: Provided, That the Secretary finds, after*
14 *such investigation as he deems sufficient to establish the facts,*
15 *that (1) said indebtedness has been due and payable for five*
16 *years or more; (2) the debtor is unable to pay said indebted-*
17 *ness in full and has no reasonable prospect of being able to do*
18 *so; (3) the debtor has acted in good faith in an effort to meet*
19 *his obligation; and (4) the principal amount of said indebted-*
20 *ness is not in excess of \$1,000. The Secretary is hereby*
21 *further authorized at his discretion to cancel and discharge*
22 *indebtedness arising under said Acts of Congress or programs*
23 *when the amount of said indebtedness is less than \$10, or the*
24 *debtor is deceased and there is no reasonable prospect of*
25 *recovering from his estate, or his whereabouts has remained*

1 unknown for two years and there is no reasonable prospect
 2 of obtaining collection, or he has been discharged of the in-
 3 debtedness in any proceeding under the Act entitled "An Act
 4 to establish a uniform system of bankruptcy throughout the
 5 United States". The compromises, adjustments, or cancela-
 6 tions authorized by this section shall be effected through such
 7 agencies, upon such terms and conditions, and subject to such
 8 regulations, as the Secretary may prescribe, and the Secre-
 9 tary may delegate the exercise of any such powers and func-
 10 tions to such officers or employees of the Department of
 11 Agriculture as he may designate.

12 SEC. 2. The provisions of this Act shall apply to any
 13 indebtedness of farmers arising from loans or payments made
 14 or credit extended to them under any of the following Acts
 15 or programs: (a) July 1, 1918 (40 Stat. 635); March 3,
 16 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467);
 17 April 26, 1924 (43 Stat. 110); February 25, 1927 (44
 18 Stat. 1245); February 28, 1927 (44 Stat., part II, 1251);
 19 February 25, 1929 (45 Stat. 1306), as amended May 17,
 20 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78-79), as
 21 amended April 24, 1930 (46 Stat. 254); December 20,
 22 1930 (46 Stat. 1032), as amended February 14, 1931 (46
 23 Stat. 1160); February 23, 1931 (46 Stat. 1276); Jan-
 24 uary 22, 1932 (47 Stat. 5); March 3, 1932 (47 Stat. 60);
 25 February 4, 1933 (47 Stat. 795); February 23, 1934

1 (48 Stat. 354); June 19, 1934 (48 Stat. 1056); February
2 20, 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50);
3 April 8, 1935 (49 Stat. 115); (Executive Order Numbered
4 7305); January 29, 1937 (50 Stat. 5); and February 4,
5 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of
6 1933); Bankhead Cotton Act of April 21, 1934, on account
7 of the several cotton tax-exemption certificate pools; Jones-
8 Connally Cattle Act of April 7, 1934; Emergency Appro-
9 priation Act, fiscal year 1935, approved June 19, 1934;
10 Kerr Tobacco Act of June 28, 1934, and Public Resolution
11 Numbered 76, approved March 14, 1936; section 32 of the
12 Act of August 24, 1935, and related legislation; Supple-
13 mental Appropriation Act, fiscal year 1936; sections 7 to 17
14 of the Soil Conservation and Domestic Allotment Act; Sugar
15 Act of 1937; sections 303 and 381 (a) of the Agricultural
16 Adjustment Act of 1938 and related or subsequent legislation
17 authorizing parity or price adjustment payments; title IV
18 and title V of the Agricultural Adjustment Act of 1938 and
19 related legislation; any amendment to any of the foregoing
20 Acts heretofore or hereafter enacted; and any other Act of
21 Congress heretofore enacted authorizing payments to farmers
22 under programs administered through the Agricultural Ad-
23 justment Agency; (c) Loans made by or through the Resettle-
24 ment Administration or the Farm Security Administration
25 out of funds appropriated or made available by or pursuant

1 to the following Acts: April 8, 1935 (49 Stat. 115); June
2 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat. 8);
3 June 29, 1937 (50 Stat. 352); The Bankhead-Jones Farm
4 Tenant Act, July 22, 1937 (50 Stat. 522 et. seq.); the
5 Water Facilities Act of August 28, 1937 (50 Stat. 869 et
6 seq.); March 2, 1938 (52 Stat. 83, Public Resolution Num-
7 bered 80); June 21, 1938 (52 Stat. 809); June 30, 1939
8 (53 Stat. 927); June 26, 1940 (Public Resolution Num-
9 bered 88); flood-restoration loans, Second Deficiency Appro-
10 priation Act, 1943 (57 Stat. 537, 542); and subsequent
11 legislation appropriating or making available funds for such
12 loans; commodity loan, purchase, sale, and other programs
13 of the Commodity Credit Corporation; and crop-insurance
14 programs formulated pursuant to title V of the Agricultural
15 Adjustment Act of 1938 (the Federal Crop Insurance Act),
16 and any amendment or supplement thereto heretofore or here-
17 after enacted. This Act shall also apply to any indebtedness
18 of farmers evidenced by notes or accounts receivable, title to
19 which has been acquired in the liquidation of loans to coopera-
20 tive associations made under the provisions of the Act of
21 June 15, 1929 (46 Stat. 11).

22 SEC. 3. There is hereby authorized to be appropriated,
23 out of any money in the Treasury not otherwise appropriated,
24 such amount as may be necessary to enable the Secretary
25 to carry out the provisions of this Act, and the current and

1 subsequent appropriations to enable the Secretary to admin-
2 ister the respective Acts of Congress or programs to which
3 the aforesaid payments or loans or extensions of credit relate
4 shall also be available for the administrative expenses of carry-
5 ing out this Act.

6 *SEC. 4. (a) Whoever makes any material representation,*
7 *knowing it to be false, for the purpose of influencing in any*
8 *way the action of the Secretary, or of any person acting under*
9 *his authority, in connection with any compromise, adjustment,*
10 *or cancelation of indebtedness provided for herein, shall, upon*
11 *conviction thereof, be punished by a fine of not more than*
12 *\$1,000 or by imprisonment for not more than one year, or*
13 *both.*

14 *(b) No officer or employee of the United States, and no*
15 *person to whom the Secretary may delegate any power or*
16 *function under this Act, shall accept any fee, commission,*
17 *gift, or other consideration, directly or indirectly, for or in*
18 *connection with any transaction or business related to the*
19 *compromise, adjustment, or cancelation of indebtedness here-*
20 *under. Any person violating the foregoing provision shall,*
21 *upon conviction thereof, be punished by a fine of not more than*
22 *\$1,000 or by imprisonment for not more than one year, or*
23 *both.*

Amend the title so as to read: "A bill to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes."

A BILL

To authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

By Mr. BUSHFIELD, Mr. NYE, Mr. WHEELER,
Mr. LA FOLLETTE, Mr. GURNEY, and Mr.
WHERRY

FEBRUARY 3 (legislative day, JANUARY 24), 1944

Read twice and referred to the Committee on

Agriculture and Forestry

SEPTEMBER 5 (legislative day, SEPTEMBER 1), 1944

Reported with amendments

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 7, 1944, for actions of Wednesday, September 6)

(For staff of the Department only)

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HOUSE

1. SUGAR INDUSTRY. Rep. Crawford, Mich., criticized the proposal to continue quotas on U.S. sugar production (p. 7662).
2. PERSONNEL. Passed as reported H.R. 4918, authorizing a lump-sum payment for accumulated annual or vacation leave due to any officer or employee of the Government when separated from Government service or to his estate in the event of death (pp. 7662-3).
3. FOOD DISTRIBUTION; TIRE RATIONING. Rep. Hoffman, Mich., criticized the refusal of OPA's local tire-rationing board to release tires to fruit truckers in Mich. to transport the fruit crop of several thousand bushels (p. 7666).
4. POST-WAR PLANNING. Unanimous consent was given to file the conference report on S. 2051, the demobilization-reconversion bill, before Saturday midnight (p. 7667).
Special Committee on Post-War Planning submitted an interim report pursuant to H.Res. 408 (H.Rept. 1855) (p. 7671).
5. LEGISLATIVE PROGRAM. Majority Leader McCormack stated that the conference reports on H.R. 5125, the surplus-property bill and S. 2051, the demobilization-reconversion bill, "will not come up this week" (p. 7667).
6. FARM LOANS. S. 1688, as reported (see Digest 142), directs the Secretary of Agriculture to compromise, adjust, or cancel indebtedness arising from loans or payments made or credit extended under crop and feed loans, excessive AAA payments, agricultural credit corporation and livestock loan company loans, certain liquidated cooperative loans, and loans made under the CCC, FSA, and FCIC programs, provided that the indebtedness has been due 5 years or more, (2) the debtor is unable to pay said indebtedness in full, (3) the debtor has acted in good faith in an effort to meet his obligation, and (4) the principal amount of said indebtedness does not exceed \$1,000; authorizes the Secretary to cancel debts of less than \$10.00, or if the debtor is deceased and there is no prospect of payment from his estate, or if his whereabouts has remained unknown for 2 years, or if he has been discharged of indebtedness under the Bankruptcy Act; authorizes the Secretary to delegate his powers and functions; authorizes necessary appropriations; provides penalties for misrepresentation for the purpose of influencing any actions under this bill; and prohibits U.S. employees from accepting fees in connection with any transaction hereunder.

BILLS INTRODUCED

7. PROPERTY MANAGEMENT. By Rep. Fulmer, S.C., H. R. 5314, providing for the transfer of surplus war materials, equipment, and supplies to schools, junior colleges, colleges, and universities supported in whole or in part by public funds. To Expenditures in the Executive Departments Committee. (p. 7671.)
RESEARCH.

8. EXTENSION WORK. By Delegate Dimond, Alaska, H. R. 5313, to amend Sec. 2 of the act approved June 20, 1936, entitled "An act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska." To Agriculture Committee. (p. 7671.)

ITEMS IN APPENDIX

9. TRANSPORTATION. Rep. Woodrum, Va., inserted his address, "Causes of War," which included remarks on post-war trade (pp. A4209-11).

10. DAIRY INDUSTRY. Extension of remarks of Rep. Stefan, Nebr., discussing the "threat" of oleomargarine to the dairy industry (pp. A4212-3).

11. RUBBER. Extension of remarks of Rep. Larcade, La., including a Washington Post article favoring the continued operation of synthetic rubber plants (pp. A4214-5).

12. POST-WAR PLANNING. Rep. Woodrum, Va., inserted his address, "Post-war Problems," which included remarks on the disposition of surplus Government property (pp. A4216-7).

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 112, Administration Building. Arrangements may be made to be kept advised of developments on any particular bill.

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13

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued September 14, 1944, for actions of Wednesday, September 13, 1944)

(For staff of the Department only)

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SENATE

1. ROAD AUTHORIZATION BILL. Began debate on this bill, S. 2105 (pp. 7816-18).

Sens. Bushfield, S. Dak., and Russell, Ga., submitted amendments which they intend to propose to the bill (p. 7812).

Agreed to Sen. Hayden's (Ariz.) suggestion that this bill go over until Fri., Sept. 15, so as to allow the committee further time for consideration of amendments (p. 7816).

The bill authorizes annual appropriations, for each of the first three post-war years, as follows:

Federal-aid highways, \$250,000,000

Secondary and feeder roads (including farm-to-market roads), \$200,000,000

Urban highways, \$200,000,000

Forest highways, \$25,000,000 (\$1,500,000 for Alaska)

Forest development roads and trails, \$12,500,000

National Park Service roads, trails, and parkways, \$9,250,000

Rural electrification. The Lucas amendment to this bill (see Digest 147) authorizes annual appropriations of \$5,000,000 for preparation by REA of comprehensive plans and programs for rural electrification; and directs RFC to make loans to REA, upon the Secretary of Agriculture's request, of \$35,000,000 additional for the fiscal year 1945, \$150,000,000 for 1946, \$200,000,000 for 1947, and \$200,000,000 for 1948, in order to provide additional funds for loans by REA.

2. ECONOMY; PERSONNEL. The Joint (Byrd) Committee on Reduction of Nonessential Expenditures submitted a report showing the number of Federal personnel, by departments, and recent changes therein (pp. 7812-14).

3. FARM LOANS. Discussed and, upon the objection of Sen. Gillette, Iowa, passed over S. 1688, which directs this Department to compromise, adjust, or cancel certain indebtedness of farmers for seed-feed loans, etc. (p. 7821). (For summary of the bill see Digest 143.) Sen. Russell, Ga., offered an amendment to make it clear that the Secretary could not adjust future indebtedness; and Sen. Danaher, Conn., announced his intention of proposing an amendment to require reports to

Congress every six months (p. 7821).

4. HOMESTEADS. Passed without amendment H. R. 5025, to allow credit in connection with homestead entries for services in the armed forces (p. 7822). This bill will now be sent to the President.
5. EMERGENCY-LEGISLATION TERMINATION. Sen. Walsh, Mass., discussed the problem of determining when emergency legislation should terminate and inserted a letter from the Navy Department on this subject (pp. 7814-6).
6. FLOOD CONTROL. At the request of Sen. White, Maine, passed over H. R. 4485, the Whittington flood-control bill (p. 7818).
7. POST-WAR PLANNING; DEMOBILIZATION. At the request of Sen. White, Maine, passed over S. 2061, to provide a national program for war mobilization and post-war adjustment (p. 7818).
8. PERSONNEL; TAXATION. At the request of Sen. White, Maine, passed over H.R. 3592, to relieve Federal employees from multiple State income taxes on their salaries and to permit only the State in which such employee is domiciled to levy such tax (p. 7818).

ADJOURNED until Friday, Sept. 15 (p. 7825).

HOUSE

9. RELIEF PROGRAMS; FOOD ADMINISTRATION; PROPERTY MANAGEMENT. Rep. Burdick, N.Dak., discussed his work in connection with "some of our national issues," including farm relief, public works, farm prices, food production, surplus property, and reconversion (pp. 7839-43).
10. DAIRY INDUSTRY. Rep. Murray, Wis., criticized the oleomargarine trust's "threat to the dairy industry" and inserted a Shelbyville (Ky.) News editorial on this subject (p. 7827).
Rep. Andresen, Minn., criticized OPA's policies, claiming that they are responsible for the present butter shortage (p. 7829).
11. DEMOBILIZATION; RECONVERSION. Rep. Doughton, N. C., received consent to make two motions on Monday to instruct the House conferees on S. 2051, the demobilization-reconversion bill, to insist on their disagreement to the provisions relating to unemployment compensation for Federal employees and to the transportation of civilian workers (see Item 14, below) (pp. 7832-3).
Rep. Keefe, Wis., urged inclusion of the provision for unemployment compensation for Federal workers, stating that the Federal Government should "set an example" (pp. 7836-7).
12. WATER CONSERVATION; ELECTRIFICATION. Rep. Rankin, Mixx., urged development of Alaskan water power resources (pp. 7833-5).
13. BANKING AND CURRENCY. Rep. Voorhis, Calif., commended and urged careful consideration of the Bretton Woods monetary agreements, and stated that "neither...would rob any nation of the freedom to manage its own monetary system as it sees fit" (pp. 7845-8).

otherwise appropriated, to Mrs. Sophia Tannenbaum, of University City, Mo., the sum of \$5,327.45, in full satisfaction of all claims against the United States arising out of the death of her husband, Morris Tannenbaum, who died as the result of injuries sustained by him on February 13, 1943, when a United States Army truck struck another vehicle which struck the said Morris Tannenbaum: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH SCARPELLA AND DOROTHY SCARPELLA

The bill (H. R. 2390) for the relief of Joseph Scarpella and Dorothy Scarpella was considered, ordered to a third reading, read the third time, and passed.

IRMA S. SHERIDAN

The bill (S. 2069) for the relief of Irma S. Sheridan, postmaster at Rockville, Oreg., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the General Accounting Office is hereby authorized and directed to credit the account of Irma S. Sheridan, postmaster at Rockville, Oreg., in the sum of \$150, representing the amount in which the postmaster's account was disallowed because, through a misunderstanding, the postmaster was authorized to employ the assistant postmaster upon a mail-messenger route at the rate of \$450 per annum, although the act of June 3, 1924 (43 Stat. 356; 39 U. S. C. 579), limits the compensation which may be paid to postmasters, assistant postmasters, and clerks of post offices of the third and fourth classes to \$300 in any 1 year for contract mail-messenger service, it being established that the route is a very difficult one upon which the services of a mail messenger have been exceedingly hard to obtain.

AUTHORITY TO COMPROMISE CERTAIN INDEBTEDNESS

The bill (S. 1688) to authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, was announced as next in order.

Mr. RUSSELL. Mr. President, may we have an explanation of the bill?

Mr. SHIPSTEAD. What is the number of the bill?

The ACTING PRESIDENT pro tempore. It is Calendar No. 1087, Senate bill 1688.

Mr. BUSHFIELD. Mr. President, I was one of the sponsors of the bill. It is a bill to enable compromise settlements to be made on the old seed and feed loans which were made a number of years ago throughout the country. The bill has been submitted to the Department of Agriculture and has the approval of the Department. It comes to the Senate after approval by the Committee on Agriculture and Forestry.

Mr. RUSSELL. Mr. President, my request for an explanation was caused by curiosity as to what loans the bill related to, and how far back it would extend. I realize that in connection with some of the old crop seed loans there should be authority to compromise, but I did not desire to have any general power or authority granted to the Farm Credit Administration to compromise obligations. Does the Senator recall the years in which the loans were made?

Mr. BUSHFIELD. Offhand, I am unable to do so.

Mr. RUSSELL. If the Senator will permit the bill to go over temporarily until I can examine the report of the committee, I shall have no objection to it being called up again.

Mr. SHIPSTEAD. Mr. President, this matter came up in the Senate some years ago. I think that if the Senator from Georgia will make an investigation, he will find that the loans were made during the period of drought in 1934 and 1935.

Mr. RUSSELL. If the Senator from Minnesota is sure that the bill relates only to loans made in those years, I shall have no objection.

Mr. SHIPSTEAD. I will not say definitely to what it refers, but I presume that the issue is the same as that we had before us some years ago, and the Senate refused to grant authority to compromise or cancel the loans. In my opinion, they should have been canceled a long time ago, because those who suffered in the drought were made destitute, and collectors went into the section of the country where the borrowers lived and grabbed anything they could get. As a matter of fact, there has been a great deal of what amounted almost to persecution in the collection of the old debts. While those affected borrowed money for seed loans, they did not get any crops from the seed. People have written to me that seed loans had accumulated, with interest, amounting to hundreds of dollars, which the Federal Government thought they should pay, while others, who made no loans because they had no farms, were living on relief, and were getting cash to enable them to live, when those who borrowed were trying to raise crops, but could not raise any. I believe that if it is confined to those years, the bill should be passed, but at the moment I cannot say. I have not read the bill for some time.

The ACTING PRESIDENT pro tempore. The Senator from Georgia [Mr. RUSSELL] has asked that the bill be passed over temporarily. The bill will be temporarily passed over.

Mr. RUSSELL subsequently said: Mr. President, I have hurriedly examined Senate bill 1688, providing for cancellation of certain indebtedness to the Department of Agriculture. I have no objection to legislation which would provide for the adjustment or cancellation of indebtedness heretofore created. My objection was to conferring any power upon the Secretary of Agriculture to cancel, adjust, or compromise any indebtedness which may be entered into in the future. I believe that it would be

very unwise for us to extend any such power.

There is only one provision in the bill which could possibly confer such power. I refer, on page 8, line 20, to the words "or hereafter enacted." If those words were stricken from the bill I would have no objection to the bill being passed.

Mr. President, on page 8, line 20, after the word "heretofore", I wish to offer an amendment, to strike out "or hereafter enacted."

Mr. DANAHER. Mr. President, I have no objection to the amendment, but I wish on my own behalf to offer an amendment to the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. GILLETTE. Mr. President, I object to the present consideration of the bill.

The ACTING PRESIDENT pro tempore. Objection is heard.

Mr. DANAHER. Mr. President, I wish to have the RECORD show that had we considered the bill I would have offered an amendment to insert "A complete report to Congress shall be made at intervals of 6 months of all settlements, cancellations, or adjustments authorized by this act."

HENRY WHITE

The ACTING PRESIDENT pro tempore. The next bill on the calendar will be stated.

The Senate proceeded to consider the bill (H. R. 2707) for the relief of Henry White, which had been reported from the Committee on Immigration, with an amendment, on page 1, line 8, after the word "States", to insert "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Chinese of the first year that the said quota is available."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

PAUL SZELIGA

The bill (H. R. 2134) for the relief of Paul Szeliga was considered, ordered to a third reading, read the third time, and passed.

ANNA M. KOHLER

The bill (H. R. 1434) for the relief of Anna M. Kohler was considered, ordered to a third reading, read the third time, and passed.

FREDA UTLEY

The bill (H. R. 312) for the relief of Freda Utley was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF NATIONALITY ACT OF 1940 IN RESPECT TO CERTAIN NATURALIZATION FEES

The bill (H. R. 3722) to amend section 342 of the Nationality Act of 1940 in respect to fees for the issuance of certificates of arrival, was considered, ordered

to a third reading, read the third time, and passed.

AMENDMENT OF NATIONALITY ACT OF 1940 IN RESPECT TO COPIES OF RECORDS

The bill (H. R. 1680) to amend the Nationality Act of 1940 to permit the Commissioner to furnish copies of any part of the records or information therefrom to agencies or officials of a State without charge, was considered, ordered to a third reading, read the third time, and passed.

MARIE ENGERT

The bill (H. R. 2509) for the relief of Marie Engert was considered, ordered to a third reading, read the third time, and passed.

DR. FRANK K. BOLAND, SR.

The Senate proceeded to consider the bill (S. 1853) for the relief of Dr. Frank K. Boland, Sr., which had been reported from the Committee on Claims, with an amendment on page 1, line 6, after the words "the sum of", to strike out "\$3,000" and insert "\$2,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Frank K. Boland, Sr., of Atlanta, Ga., the sum of \$2,000, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him as the result of an accident which occurred when the automobile in which he was riding was struck by a United States Army truck near Mabelton, Ga., on February 11, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AUTHORIZATION TO CERTAIN EMPLOYEES OF THE GENERAL LAND OFFICE TO ADMINISTER OATHS, ETC.

The bill (S. 1062) to authorize certain employees of the General Land Office to administer or take oaths, affirmations, affidavits, or depositions in the performance of their official duties, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the authority to administer or take oaths, affirmations, affidavits, or depositions, whenever necessary in the performance of their official duties, is hereby granted to field examiners and other employees of the General Land Office designated by the Commissioner of the General Land Office, Department of the Interior, for that purpose.

MOORES CREEK NATIONAL MILITARY PARK

The bill (H. R. 3384) to authorize the Secretary of the Interior to accept property for the Moores Creek National Military

Park, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CREDIT IN CERTAIN HOMESTEAD ENTRIES FOR MILITARY OR NAVAL SERVICE

The bill (H. R. 5025) to allow credit in connection with certain homestead entries for military or naval service rendered during World War No. 2, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND TO THE CITY OF DULUTH, MINN.

The Senate proceeded to consider the bill (S. 1807) authorizing and directing the Secretary of the Interior to convey certain land to the city of Duluth, Minn., which had been reported from the Committee on Public Lands and Surveys, with amendments.

The first amendment was, on page 3, line 4, after the word "meridian", to strike out "*Provided*, That the land authorized to be conveyed hereunder shall be used for the construction of and be maintained as a public highway free of any expense to the United States, and all work thereon shall be such as not to interfere with the operations and efficiency of the fisheries station and in a manner satisfactory to the Secretary of the Interior: *Provided further*, That in the event of the discontinuance by the city of Duluth of the use of the above-described property as a public highway or the failure to maintain same in a manner satisfactory to the Secretary of the Interior, the title of said land shall revert to the United States" and insert "The said conveyance to the city of Duluth shall be made subject to the conditions that the land be used for the construction of and maintenance of a public highway free of any expense to the United States, that the highway be constructed and maintained so as not to interfere with the operations of and access to the fish hatchery station, and that in the event of the discontinuance by the city of Duluth of the use of the above-described property as a public highway, or upon failure to maintain the same in accordance with the conditions of the deed, title to said land shall revert to the United States."

The amendment was agreed to.

The next amendment was, at the top of page 2, to insert the following new section:

SEC. 2. Nothing herein contained shall affect the applicability of the Federal Highway Act, approved November 9, 1921 (42 Stat. 212), as amended, to the public highway to be constructed on the land authorized to be conveyed hereunder.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to convey to the city of Duluth, Minn., the following-described land, now a part of the fisheries station in said city: Beginning at a point on the east line of Sixtieth Avenue East in the city of Duluth, State of Minnesota, said point lying forty-three and four one-hundredths feet in a northerly direction from a point at the intersection of the center line of London Road, extended with the

said east line of Sixtieth Avenue East; thence extending in an easterly direction at an angle of sixty-six degrees and fifteen minutes to the left of said east line of Sixtieth Avenue East a distance of sixty-one and fifty-seven one-hundredths feet to a point of curve; thence continuing on a curve to the left whose radius is one thousand three hundred and forty-five and seven-tenths feet a distance of three hundred and sixty-four and eighteen one-hundredths feet, to the center line of Lester River as now located; thence in a southeasterly direction along the center line of said Lester River a distance of one hundred and thirty-two and thirty-six one-hundredths feet to a point; thence westerly parallel to the curve above described and distant therefrom one hundred and twenty feet, a distance of one hundred and seventy-eight and twenty one-hundredths feet to a point; thence northerly on a radial line a distance of eight and five-tenths feet to a point; thence westerly parallel to the curve first above described and distant therefrom one hundred and eleven and five-tenths feet a distance of two hundred and seventy-eight and ten one-hundredths feet to a point of tangency; thence westerly on a tangent line a distance of twelve and fifty-one one-hundredths feet to a point on the east line of Sixtieth Avenue East; thence northerly on said east line of Sixtieth Avenue East a distance of one hundred and twenty-one and eighty-two one-hundredths feet to a point of beginning and there terminating, containing an area of one and one-hundred-and-seventy-six one-thousandths acres; said land being located in sections 5 and 8, township 50 north, range 13 west, of the fourth principal meridian. The said conveyance to the city of Duluth shall be made subject to the conditions that the land be used for the construction of and maintenance of a public highway free of any expense to the United States, that the highway be constructed and maintained so as not to interfere with the operations of and access to the fish hatchery station, and that in the event of the discontinuance by the city of Duluth of the use of the above-described property as a public highway, or upon failure to maintain the same in accordance with the conditions of the deed, title to said land shall revert to the United States.

SEC. 2. Nothing herein contained shall affect the applicability of the Federal Highway Act, approved November 9, 1921 (42 Stat. 212), as amended, to the public highway to be constructed on the land authorized to be conveyed hereunder.

EXTENSION OF CERTAIN OIL AND GAS LEASES

The bill (S. 2111) to provide for the extension of certain oil and gas leases, was announced as next in order.

Mr. McKELLAR. Mr. President, may I ask if the bill in any way refers to the Elk Hills or Teapot Dome area?

Mr. O'MAHONEY. Oh, no. It deals only with 5-year leases. The purpose of the bill is to afford an additional year's time to operators who have complied with the law but have not yet brought in necessary production.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last sentence in the first section of the act entitled "An act to grant a preference right to certain oil and gas leases," approved July 29, 1942, as amended, is hereby amended to read as follows: "The term of any 5-year lease ex-

21.

THE NEW LIBERALISM—ADDRESS BY THE VICE PRESIDENT

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address on the subject The New Liberalism delivered by the Vice President in New York City, September 21, 1944, which appears in the Appendix.]

ADDRESSES BY SENATOR LUCAS

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by Senator Lucas before the American Legion convention in Chicago, and three brief radio addresses delivered by Senator Lucas in Illinois, which will appear hereafter in the Appendix.]

DEWEY LOVES THE NEW DEAL BUT HE HATES NEW DEALERS — EDITORIAL FROM THE PHILADELPHIA RECORD

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an editorial entitled "Dewey Loves the New Deal But He Hates New Dealers," from the Philadelphia Record of September 20, 1944, which appears in the Appendix.]

WORLD POLICE FORCE—ADDRESS BY SENATOR WHEELER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a radio address delivered by him at Los Angeles, Calif., which appears in the Appendix.]

ADDRESS BY GOV. THOMAS E. DEWEY ON SEPTEMBER 21, 1944

[Mr. WHITE asked and obtained leave to have printed in the RECORD an address by Gov. Thomas E. Dewey on September 21, 1944, which will appear hereafter in the Appendix.]

RICHARD LYONS FOR SENATOR—EDITORIAL FROM PEORIA (ILL.) MORNING STAR

[Mr. WHITE asked and obtained leave to have printed in the RECORD an editorial entitled "Richard Lyons for Senator," published in the Peoria (Ill.) Morning Star, which appears in the Appendix.]

RESOLUTIONS ADOPTED BY AMERICAN LEGION IN CONVENTION AT CHICAGO

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD resolutions adopted by the American Legion convention in Chicago, which will appear hereafter in the Appendix.]

THREE-POINT PROGRAM OF THE AMERICAN FEDERATION OF LABOR TO HELP NEGROES

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement entitled "A. F. L. Present Three-Point Program To Help Negroes Win Better Break," by William Green, president of the American Federation of Labor, which appears in the Appendix.]

RACIAL DISCRIMINATION—ARTICLE FROM THE WASHINGTON POST

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article entitled "Economic Bigotry," by Malvina Lindsay, published in the Washington Post of September 6, 1944, which appears in the Appendix.]

AMERICAN LEGION ADDRESS BY GEN. GEORGE C. MARSHALL

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD the address delivered by General Marshall to the American Legion at their convention in Chicago, which appears in the Appendix.]

TRIBUTE TO HON. JAMES A. FARLEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a resolution adopted by the Democratic State Committee of New York in recognition of the services of James A. Farley as chairman of the New York State Democratic Committee, which appears in the Appendix.]

THE MOST TERRIBLE TRAGEDY—EDITORIAL FROM THE NEW YORK HERALD TRIBUNE

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an editorial entitled "The Most Terrible Tragedy," published in the New York Herald Tribune of September 20, 1944, which appears in the Appendix.]

JAMES A. FARLEY'S RESIGNATION

[Mr. BYRD asked and obtained leave to have printed in the RECORD an editorial entitled "James A. Farley's Resignation," published in the Batavia (N. Y.) Times of June 15, 1944, which appears in the Appendix.]

ADDRESS BY SIDNEY HILLMAN TO C. I. O. CONVENTION AT SARATOGA SPRINGS, N. Y.

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address delivered by Sidney Hillman to the C. I. O. State convention at Saratoga Springs, N. Y., September 9, 1944, which appears in the Appendix.]

NATIONAL INDUSTRIAL INFORMATION COMMITTEE

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a letter from Allen A. Pope, president, the First Boston Corporation, and a subscription blank of the National Industrial Information Committee, which appear in the Appendix.]

REPORT OF THE TRANSPORTATION COMMITTEE OF POTOMAC GRANGE NO. 1

[Mr. BUTLER asked and obtained leave to have printed in the RECORD the report of the Transportation Committee of Potomac Grange No. 1, dealing with transportation problems, which appears in the Appendix.]

SINCE YOU WENT AWAY—LETTER FROM SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a letter written by him on September 18, 1944, to Mr. David O. Selznick, which appears in the Appendix.]

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

THE CALENDAR

Mr. GUFFEY obtained the floor.
Mr. BARKLEY. Mr. President, I suggest to the Senator from Pennsylvania and other Senators who are to deliver addresses that I had contemplated a call of the calendar. The calendar is very brief, and I wish to have it called as early as possible today, because many Senators are interested in it. I do not wish to interfere with the Senator from Pennsylvania, but I hope we may have the calendar called before we complete the roster of speakers who have indicated their desire to address the Senate, because there are other Senators who do not intend to speak, who are attending committee meetings and transacting

other public business, and they are all anxious to know when the calendar is to be called, and to dispose of it as soon as possible.

Mr. GUFFEY. Mr. President, I am perfectly willing to wait until the calendar has been called.

Mr. BARKLEY. If the Senator is willing to do that, it will facilitate business.

Mr. GUFFEY. I am willing, if others who are to address the Senate are likewise willing.

Mr. BARKLEY. Subject to the right of the Senator from Pennsylvania to the floor, I ask that the Senate now proceed to the consideration of the calendar for measures to which there is no objection, beginning at the end of the last call.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will proceed to call the measures on the calendar beginning with Calendar No. 1105.

LAND PATENT TO PETER A. CONDELARIO

The bill (S. 1746) authorizing and directing the Secretary of the Interior to issue to Peter A. Condelario a patent in fee to certain land, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue to Peter A. Condelario, a Sioux Indian of the Pine Ridge Indian Reservation, South Dakota, a patent in fee to the northeast quarter of section 31, in township 40 north, range 35 west, of the sixth principal meridian, South Dakota.

AUTHORIZATION TO CONTRACT WITH THE MIDDLE RIO GRANDE CONSERVANCY DISTRICT OF NEW MEXICO

The Senate proceeded to consider the bill (S. 1953) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands.

Mr. CHAVEZ. This bill was introduced at the request of the Department of the Interior. It is an Indian bill and has to do with matters in my State. There is no objection to it whatsoever. It has been reported unanimously by the Committee on Indian Affairs, and I trust the bill may be passed.

The VICE PRESIDENT. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the provisions of the act of August 27, 1935 (49 Stat. 887), as amended by section 5 of the act of June 20, 1938 (52 Stat. 779), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for the payment of operation and maintenance charges on newly reclaimed Pueblo Indian lands and lands purchased by the United States by virtue of the act of June 7, 1924 (43 Stat. 636), as amended, for certain Pueblo Indians, are hereby extended for an additional period of 10 years to 1955.

PURCHASE OF LUMBER FOR THE OPERATION OF RED LAKE INDIAN MILLS

The Senate proceeded to consider the bill (H. R. 2185) to authorize the Secretary of the Interior, in carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products, which had been reported from the Committee on Indian Affairs with amendments.

The first amendment of the committee was on page 2, after line 3, to strike out section 2, as follows:

Sec. 2. This act shall terminate 6 months after cessation of the hostilities in which the United States is now engaged or at an earlier date by proclamation of the President.

The amendment was agreed to.

The next amendment was, on page 2, after line 7, to insert the following:

Sec. 2. That no conveyance made by an Indian of the Five Civilized Tribes on or after April 26, 1931, and prior to the date of the enactment of this act, of lands purchased, prior to April 26, 1931, for the use and benefit of such Indian with funds derived from the sale of, or as income from, restricted allotted lands and conveyed to him by deed containing restrictions on alienation without the consent and approval of the Secretary of the Interior prior to April 26, 1931, shall be invalid because such conveyance was made without the consent and approval of the Secretary of the Interior: *Provided*, That all conveyances made after the date of the enactment of this act must have the consent and approval of the Secretary of the Interior.

The amendment was agreed to.

The next amendment was, on page 2, after line 20, to insert a new section, as follows:

Sec. 3. That the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes in Oklahoma," approved January 27, 1933 (47 Stat. 777), is amended by adding at the end thereof new sections, 9, 10, 11, as follows:

"Sec. 9. That the following words in section 8 of this act, 'any interest in land of any full-blood Indian heir', shall not be construed to include any interest in land which was not restricted in the person from whom such full-blood Indian heir inherited the same.

"Sec. 10. In the case of any interest in land acquired by purchase with restricted funds after the date of enactment of this section, such interest shall not be deemed a restricted interest unless the deed conveying such interest shows upon its face that such purchase was made with restricted funds.

"Sec. 11. No conveyance, subsequent to January 27, 1933, and prior to the date of enactment of this act, of any interest in land of any full-blood Indian heir, which was not restricted in the person from whom such full-blood Indian heir inherited the same, shall be invalid because such conveyance was not presented for approval in open court as provided in section 8 of this act."

The amendment was agreed to.

The next amendment was on page 3, after line 18, to insert a new section, as follows:

Sec. 4. That the Secretary of the Interior is authorized and directed to convey to Colony Union Graded School District Numbered 1, of Colony, Oklahoma, all right, title, and interest of the United States in and to the following-described lands, together with the improvements thereon and such equipment as may be designated by the Secretary of the Interior, situated at Colony, Oklahoma, and known as the Seger Indian School:

Beginning at a cross in the concrete pavement at the road intersection in the town of Colony, Oklahoma, said to be over a tablet marking the northwest corner of section 15, township 10 north, range 14 west, and running thence east with the north line of said section eight hundred and ninety-two and two-tenths feet to a stake in the center of the county road, thirty-three feet south of the transmission line along said road;

Thence turning an angle of ninety-three degrees twenty-six minutes to the right a distance of nine hundred and fifty-four and nine-tenths feet to a twenty-inch locust tree, passing a twenty-one-inch locust at nine hundred and thirty-three and nine-tenths feet;

Thence at an angle of thirty degrees forty-nine minutes to the left from said line, passing a five-inch locust tree at nineteen feet, whole distance two hundred and eighty and seven-tenths feet to an eighteen-inch locust, passing a six-inch locust at two hundred and forty-seven and seven-tenths feet;

Thence at an angle of sixteen degrees forty-eight minutes to the left from said line seventy feet to a twenty-two-inch broken locust;

Thence at an angle of thirty-three degrees twenty-four minutes to the left from said line one hundred and twenty-two and four-tenths feet to a post, witnessed by a twelve-inch locust tree at an angle of forty-four degrees to the right and distance of fifty-eight feet from said line;

Thence to an angle of sixteen degrees eight minutes to the left from said line seven hundred and eighty-three and one-tenth feet to a post, witnessed by a thirty-four-inch oak at an angle of sixty-two to fifty to the left and distance of fifty feet from said line, a twenty-six-inch oak at angle to right of two to forty and distance forty-four feet from said line, a twenty-eight-inch black walnut at angle of one hundred and twenty to forty to right and distance of twenty-eight feet from said line;

Thence at an angle of ninety-six degrees to right from said line a distance of three hundred and ninety and five-tenths feet to a post;

Thence at an angle of seventy-two degrees thirteen minutes to the right from said line a distance of two hundred and forty-four and four-tenths feet to a post;

Thence at an angle of eight degrees thirty-five minutes to the right from said line a distance of three hundred and forty-eight and six-tenths feet to a post; witnessed by a black jack at an angle of seventy-three degrees five minutes from the line as run a distance of thirty-two feet and a black jack at an angle of sixty-one degrees fifteen minutes to right from the line as run a distance of forty-two feet;

Thence at an angle of fifty degrees twenty-eight minutes to the right from a line as run a distance of three hundred and fifty feet to a post;

Thence at an angle of twenty degrees forty-seven minutes to the right from said line a distance of three hundred and nineteen and two-tenths feet to a post;

Thence at an angle of two degrees fifteen minutes to the left from said line a distance of two hundred and seventy-seven feet to a post, passing a twenty-four-inch locust at one hundred and ninety-nine feet;

Thence at an angle of thirty degrees twenty-five minutes to the right from said line a distance of nine hundred and forty-three and three-tenths feet to a point in the center of the county road;

Thence east with the center line of said road and the north line of section 15 to the place of the beginning, containing five acres, more or less: *Provided*, That in the case of abandonment of said property for school purposes the title of ownership shall revert to the United States.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the Secretary of the Interior carrying out the purposes of the act of May 18, 1916 (39 Stat. 137), to purchase logs, lumber, and other forest products, Red Lake Indian Reservation, Minn., to validate titles to certain lands conveyed by Indians of Five Civilized Tribes, amend the act of January 27, 1933 (47 Stat. 777), relative to restrictions applicable to Indians of the Five Civilized Tribes, authorizing conveyance of the Seger Indian Schools, and for other purposes."

ADJUSTMENT OF CERTAIN LOANS UNDER FARM CREDIT ADMINISTRATION

Mr. BUSHFIELD. Mr. President, a few days ago calendar No. 1087, Senate bill 1688, was passed over upon objection of the Senator from Iowa [Mr. GILLETTE] when the calendar was being called. I understand that now the Senator from Iowa has no further objection to the bill, and I ask unanimous consent that it be taken up at this time.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Dakota?

Mr. GILLETTE. I did not understand the request.

Mr. BUSHFIELD. The request is that calendar 1087, Senate bill 1688, be taken up on this call, as it was passed over at the last call on the Senator's objection.

Mr. GILLETTE. I have no objection to the bill being taken up and passed.

Mr. BARKLEY. Mr. President, let it be taken up at the conclusion of the call of the calendar.

Mr. GURNEY. Mr. President, I join in the request of my colleague. I had hoped we could act upon this bill at this time. I wonder if the Senator from Kentucky would not permit that to be done.

Mr. BARKLEY. I suggest that when we reach the end of the call we can then go back and take up the bill. There will be no difficulty about it. That is the usual way in which we proceed.

THE SEDITION TRIAL IN WASHINGTON, D. C.

Mr. LANGER. Mr. President, last week I called the attention of the Senate to the so-called sedition trial now in progress in the United States District Court for the District of Columbia. On that occasion I emphasized the obvious injustice done to the 30, now reduced to 26, defendants in this mass trial; the injustice of trying them all together, the injustice of trying them on a conspiracy charge, when the only evidence of the conspiracy charge is certain similarity between the things they said and—

Mr. GUFFEY. Mr. President, I yielded the floor so that the calendar might be called, but did not yield for a general free-for-all, consisting of speeches, and submission of resolutions, and so forth. If we are not going to stick to the agree-

development of certain river basins where several States were involved. The general functions and purposes of the Tennessee Valley Authority might well serve as a pattern for similar developments of other river basins. The Tennessee Valley Authority was charged by the Congress with the development of practically all of the factors which are important in establishing better living standards and a better life for the people throughout that great watershed.

The benefits which have resulted in the Tennessee River Valley include flood prevention, irrigation, increased electric power for farms and shops and homes and industries, better transportation on land and water, reforestation and conservation of natural resources, the encouragement of small businesses, and the growth and expansion of new businesses, development and widespread use of fertilizers and improved agricultural methods, better educational and recreational facilities—and many kindred improvements which go to make for increased security and greater human happiness.

The Congress has at all times retained the final authority over the Tennessee Valley Authority, for the Authority comes before the Congress each year to obtain appropriations to continue its work and carry out its plans.

I have heretofore suggested the creation of a similar authority for the development of the Arkansas River watershed from the Mississippi all the way west to its source in Colorado.

I have also suggested the creation of an authority to render a similar service in the Columbia River watershed, including the States of Washington, Oregon, Idaho, and Montana.

I now make a similar recommendation for the Missouri River Basin.

The resolution very properly asks that the legislation dealing with matters relating to the waters of the Missouri River Basin recognize that it is dealing with one river and one problem; and points out the necessity of a comprehensive development of the Missouri River, indicating that there can be no piecemeal legislative program. The resolution asks that "the Congress should recognize now the problem in its entirety as it affects the people of the Missouri Basin, and their economic destiny and that of the United States."

I am in hearty accord with these principles. I hope that the Congress will give careful and early consideration to the creation of this Federal authority to consider the problem in its entirety, remembering always that any appropriations to carry out any plan are and will be within the complete control of the Congress, and that the interest of each of the States in the basin will, of course, be given full consideration. I am sure that none of the States in the Tennessee River Basin have lost any of their rights because of the creation of the Authority in that valley.

May I also ask that renewed consideration be given to a study of the Arkansas and Columbia River Basins? The fact has been established that such legislation can do much to promote the wel-

fare of the great mass of citizens who live there—as well as their fellow citizens throughout the United States.

I need hardly point out to the Congress, in addition, how helpful this legislation will be in the creation of employment and in the stimulation of industry, business, and agriculture throughout the areas involved, in the days which will follow the end of the war.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, September 21, 1944.

The PRESIDING OFFICER. The Chair would like to be informed as to the proper reference of the message, whether it should be referred to the Committee on Commerce or the Committee on Agriculture and Forestry.

Mr. BARKLEY. Mr. President, it seems to me, in view of the fact that there is involved a compact among the States for the improvement and development of rivers, probably the Commerce Committee would be the appropriate reference.

Mr. GILLETTE. Mr. President, in that connection may I call attention to the fact that the able Senator from Montana [Mr. MURRAY] and I, acting independently, have already introduced bills for the creation of a Missouri Valley Authority. These bills have been referred to the Committee on Agriculture and Forestry and are now awaiting a report from the Department. While the President's message suggests rather broader action than the one covering the one valley, it would seem to me, in view of the fact that these measures have already been introduced and are already pending before the Committee on Agriculture and Forestry, that it would be a very appropriate reference to have the message referred to that committee.

Mr. BARKLEY. Personally I have no choice as between committees. It only illustrates the vicious practice which has grown up in recent years in the Senate of having bills referred to committees to which their authors desire them referred. That frequently happens, and I can understand why it is done, especially if the authors of the proposed legislation are members of the particular committee. Nevertheless, there ought to be a well-defined rule in the Senate as to the jurisdiction of committees. Inasmuch as the Committee on Commerce has jurisdiction of the navigation of rivers, the improvement of rivers, flood control, and all kindred subjects, it seems to me that that is the committee to which the message should be referred. I have no dogmatic view about it, but I think we ought to settle the question.

Mr. GILLETTE. I can understand very well that there would be every logic for referring the message to the Committee on Commerce, but the action taken by the Senate originally in referring the bills to which I have called attention was not taken at the request of the Senator from Iowa, who was not present, and I do not believe it was taken at the request of the Senator from Montana. But, in view of the fact that the reference was made by action of the Senate and legislation is pending, I made

the suggestion as to reference to the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. The Chair will entertain a motion for the proper reference of the message. If no such motion is offered, then the Chair will refer the message, without objection, to the Committee on Agriculture and Forestry.

ADJUSTMENT OF CERTAIN LOANS UNDER FARM CREDIT ADMINISTRATION

Mr. BUSHFIELD. Mr. President, at the beginning of the call of the calendar I asked unanimous consent for the consideration of Calendar 1087, Senate bill 1688. At the suggestion of the distinguished majority leader I agreed to let the bill go to the foot of the calendar. I should like to have that bill considered now, and I renew my request for its consideration.

The PRESIDING OFFICER. Is there objection?

Mr. GUFFEY. I object.

Mr. BARKLEY. I hope the Senator from Pennsylvania will not object. It was a matter that should have been disposed of at the time, but I asked that it go to the foot of the calendar.

Mr. GUFFEY. Very well, I withdraw the objection.

The PRESIDING OFFICER. Objection is withdrawn. Without objection, the bill will be considered.

The Senate proceeded to consider the bill (S. 1688) to authorize the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause and insert:

That the Secretary of Agriculture, hereinafter referred to as the Secretary, is hereby authorized and directed to compromise, adjust, or cancel indebtedness arising from loans and payments made or credit extended to farmers under the provisions of the several acts of Congress or programs enumerated in section 2: *Provided*, That the Secretary finds, after such investigation as he deems sufficient to establish the facts, that (1) said indebtedness has been due and payable for 5 years or more; (2) the debtor is unable to pay said indebtedness in full and has no reasonable prospect of being able to do so; (3) the debtor has acted in good faith in an effort to meet his obligation; and (4) the principal amount of said indebtedness is not in excess of \$1,000. The Secretary is hereby further authorized at his discretion to cancel and discharge indebtedness arising under said acts of Congress or programs when the amount of said indebtedness is less than \$10, or the debtor is deceased and there is no reasonable prospect of recovering from his estate, or his whereabouts has remained unknown for 2 years and there is no reasonable prospect of obtaining collection, or he has been discharged of the indebtedness in any proceeding under the act entitled "An act to establish a uniform system of bankruptcy throughout the United States." The compromises, adjustments, or cancellations authorized by this section shall be effected through such agencies, upon such terms and conditions, and subject to such regulations, as the Secretary may prescribe, and the Secretary may delegate the exercise of any such powers and functions to such officers or employees of the Department of Agriculture as he may designate.

SEC. 2. The provisions of this act shall apply to any indebtedness of farmers arising from loans or payments made or credit extended to them under any of the following acts or programs: (a) July 1, 1918 (40 Stat. 635); March 3, 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467); April 26, 1924 (43 Stat. 110); February 25, 1927 (44 Stat. 1245); February 28, 1927 (44 Stat., part II, 1251); February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78-79), as amended April 24, 1930 (46 Stat. 254); December 20, 1930 (46 Stat. 1032), as amended February 14, 1931 (46 Stat. 1160); February 23, 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5); March 3, 1932 (47 Stat. 60); February 4, 1933 (47 Stat. 795); February 23, 1934 (48 Stat. 354); June 19, 1934 (48 Stat. 1056); February 20, 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50); April 8, 1935 (49 Stat. 115); (Executive Order No. 7305); January 29, 1937 (50 Stat. 5); and February 4, 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of 1933); Bankhead Cotton Act of April 21, 1934, on account of the several cotton tax-exemption certificate pools; Jones-Connally Cattle Act of April 7, 1934; Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934; Kerr Tobacco Act of June 28, 1934, and Public Resolution No. 76, approved March 14, 1936; section 32 of the act of August 24, 1935, and related legislation; Supplemental Appropriation Act, fiscal year 1936; sections 7 to 17 of the Soil Conservation and Domestic Allotment Act; Sugar Act of 1937; sections 303 and 381 (a) of the Agricultural Adjustment Act of 1938 and related or subsequent legislation authorizing parity or price adjustment payments; title IV and title V of the Agricultural Adjustment Act of 1938 and related legislation; any amendment to any of the foregoing acts heretofore or hereafter enacted; and any other act of Congress heretofore enacted authorizing payments to farmers under programs administered through the Agricultural Adjustment Agency; (c) loans made by or through the Resettlement Administration or the Farm Security Administration out of funds appropriated or made available by or pursuant to the following acts: April 8, 1935 (49 Stat. 115); June 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat. 8); June 29, 1937 (50 Stat. 352); the Bankhead-Jones Farm Tenant Act, July 22, 1937 (50 Stat. 522 et seq.); the Water Facilities Act of August 28, 1937 (50 Stat. 869 et seq.); March 2, 1938 (52 Stat. 83, Public Res. No. 80); June 21, 1938 (52 Stat. 809); June 30, 1939 (53 Stat. 927); June 26, 1940 (Public Res. No. 88); flood-restoration loans, Second Deficiency Appropriation Act, 1943 (57 Stat. 537, 542); and subsequent legislation appropriating or making available funds for such loans; commodity loan, purchase, sale, and other programs of the Commodity Credit Corporation; and crop-insurance programs formulated pursuant to title V of the Agricultural Adjustment Act of 1938 (the Federal Crop Insurance Act), and any amendment or supplement thereto heretofore or hereafter enacted. This act shall also apply to any indebtedness of farmers evidenced by notes or accounts receivable, title to which has been acquired in the liquidation of loans to cooperative associations made under the provisions of the act of June 15, 1929 (46 Stat. 11).

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to enable the Secretary to carry out the provisions of this act, and the current and subsequent appropriations to enable the Secretary to administer the respective acts of Congress or programs to which the aforesaid payments or loans or extensions of credit relate shall also be available for the administrative expenses of carrying out this act.

SEC. 4. (a) Whoever makes any material representation, knowing it to be false, for the

purpose of influencing in any way the action of the Secretary, or of any person acting under his authority, in connection with any compromise, adjustment, or cancellation of indebtedness provided for herein, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

(b) No officer or employee of the United States, and no person to whom the Secretary may delegate any power or function under this act, shall accept any fee, commission, gift, or other consideration, directly or indirectly, for or in connection with any transaction or business related to the compromise, adjustment, or cancellation of indebtedness hereunder. Any person violating the foregoing provision shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

Mr. DANAHER. Mr. President, on page 8, line 20, I move to strike out the words "or hereafter enacted."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut to the committee amendment.

The amendment to the amendment was agreed to.

Mr. DANAHER. Mr. President, on page 10, after line 23, I move an amendment to read as follows:

SEC. 5. A complete report to Congress shall be submitted at intervals of 6 months of all settlements, cancellations, or adjustments authorized and completed pursuant to this act.

Mr. BUSHFIELD. There is no objection to the amendment on the part of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes."

DISCHARGE OF NAVAL PERSONNEL

Mr. GILLETTE. Mr. President, in view of the widespread interest in the policy which has been announced by the Navy with reference to the severance of personnel from the service, I ask unanimous consent to have printed in the RECORD at this point a letter addressed to the distinguished chairman of the Naval Affairs Committee by the Bureau of Personnel, Navy Department, dealing with that subject.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NAVY DEPARTMENT,
BUREAU OF NAVAL PERSONNEL,
Washington, D. C., September 19, 1944.
HON. DAVID I. WALSH,
Chairman, Committee on Naval Affairs,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to this Bureau's letters of August 28 and September 5, 1944, concerning provisions regulating the discharge of certain personnel of

the naval service and stating that you would be advised of any future action in this matter.

Accordingly you are advised that the Bureau of Naval Personnel on September 15 issued instructions revising and clarifying previous provisions governing voluntary severance. This action anticipates future curtailment in certain specialized naval activities and projects which are being progressively reduced or terminated.

The Navy has a small surplus of specialist personnel with limited naval qualifications and a shortage of personnel qualified for combat. While the Navy's personnel strength is not expected to be reached until June 30, 1945, there are a limited number of specialist Reserve officers serving in specialized billets and a limited number of enlisted men of the Naval Reserve whose services can be spared upon the termination of their present assignments.

Current directives provide that Reserve officers who are not physically qualified for other duty, or who are not qualified for other duty without considerable training, and whose services can be spared, may request transfer to inactive duty or submit resignations from the service.

While any Reserve officer who is eligible by these standards may apply for release, the granting of release, with few exceptions, is limited to those over the draft age. Reserve officers within the draft age who can be spared may apply for release but they are required to submit their resignations and upon release are advised to report immediately to their local selective-service boards. For the most part, release of Reserve officers within the draft age is limited to a few officers who, although unable to meet all physical or professional requirements, were commissioned to perform special duties which have been completed.

Enlisted personnel of the Naval Reserve who are 42 years of age and over and whose services can be spared may apply through their commanding officers for discharge. If release is authorized after final review by the Bureau of Naval Personnel, discharge papers certify that severance from the service is under honorable conditions.

How many personnel will become eligible for release cannot be accurately estimated although it is expected that, for the present, the number will be small, will be governed largely by the rate of contraction of miscellaneous activities no longer necessary, and will include, for the most part, personnel in middle age not qualified for duty afloat.

The paramount consideration in each case is the needs of the service. A large number of older Reserve officers have only limited naval qualifications and training and are not adaptable to sea duty involving technical responsibilities, while enlisted men, for the most part, perform the same duties afloat or ashore and many older enlisted men therefore may be detailed to new duty without additional training. In acting on applications for release the test is whether the applicant can be spared.

In the case of both officers and men applications are considered only when initiated by the personnel concerned. Personnel awaiting trial by court martial, undergoing punishment as a result of court martial, or under treatment in hospitals are not eligible to apply for discharge.

It is clearly not the intention of the Navy at this time to release any officer or man trained and physically qualified for sea duty or any other personnel whose services are essential. The need for young officers and men to man the great number of new ships going into commission in the next year is a No. 1 item on the list of critical Navy requirements. Providing an opportunity for certain older personnel to apply for release carries with it no implication that the end of the Navy's job in this war is in sight nor

7/20/20

16



78TH CONGRESS
2D SESSION

S. 1688

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 1944

Referred to the Committee on Agriculture

AN ACT

To authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Agriculture, hereinafter referred to as
4 the Secretary, is hereby authorized and directed to compro-
5 mise, adjust, or cancel indebtedness arising from loans and
6 payments made or credit extended to farmers under the pro-
7 visions of the several Acts of Congress or programs enumer-
8 ated in section 2: *Provided*, That the Secretary finds, after
9 such investigation as he deems sufficient to establish the facts,
10 that (1) said indebtedness has been due and payable for five
11 years or more; (2) the debtor is unable to pay said indebted-

1 ness in full and has no reasonable prospect of being able to do
2 so; (3) the debtor has acted in good faith in an effort to meet
3 his obligation; and (4) the principal amount of said indebted-
4 ness is not in excess of \$1,000. The Secretary is hereby
5 further authorized at his discretion to cancel and discharge
6 indebtedness arising under said Acts of Congress or programs
7 when the amount of said indebtedness is less than \$10, or the
8 debtor is deceased and there is no reasonable prospect of
9 recovering from his estate, or his whereabouts has remained
10 unknown for two years and there is no reasonable prospect
11 of obtaining collection, or he has been discharged of the in-
12 debtedness in any proceeding under the Act entitled "An Act
13 to establish a uniform system of bankruptcy throughout the
14 United States". The compromises, adjustments, or cancela-
15 tions authorized by this section shall be effected through such
16 agencies, upon such terms and conditions, and subject to such
17 regulations, as the Secretary may prescribe, and the Secre-
18 tary may delegate the exercise of any such powers and func-
19 tions to such officers or employees of the Department of
20 Agriculture as he may designate.

21 SEC. 2. The provisions of this Act shall apply to any
22 indebtedness of farmers arising from loans or payments made
23 or credit extended to them under any of the following Acts
24 or programs: (a) July 1, 1918 (40 Stat. 635) ; March 3,
25 1921 (41 Stat. 1347) ; March 20, 1922 (42 Stat. 467) ;

1 April 26, 1924 (43 Stat. 110) ; February 25, 1927 (44
 2 Stat. 1245) ; February 28, 1927 (44 Stat., part II, 1251) ;
 3 February 25, 1929 (45 Stat. 1306), as amended May 17,
 4 1929 (46 Stat. 3) ; March 3, 1930 (46 Stat. 78-79), as
 5 amended April 24, 1930 (46 Stat. 254) ; December 20,
 6 1930 (46 Stat. 1032), as amended February 14, 1931 (46
 7 Stat. 1160) ; February 23, 1931 (46 Stat. 1276) ; Jan-
 8 uary 22, 1932 (47 Stat. 5) ; March 3, 1932 (47 Stat. 60) ;
 9 February 4, 1933 (47 Stat. 795) ; February 23, 1934
 10 (48 Stat. 354) ; June 19, 1934 (48 Stat. 1056) ; February
 11 20, 1935 (49 Stat. 28) ; March 21, 1935 (49 Stat. 50) ;
 12 April 8, 1935 (49 Stat. 115) ; (Executive Order Numbered
 13 7305) ; January 29, 1937 (50 Stat. 5) ; and February 4,
 14 1938 (52 Stat. 27) ; (b) Agricultural Adjustment Act (of
 15 1933) ; Bankhead Cotton Act of April 21, 1934, on account
 16 of the several cotton tax-exemption certificate pools ; Jones-
 17 Connally Cattle Act of April 7, 1934 ; Emergency Appro-
 18 priation Act, fiscal year 1935, approved June 19, 1934 ;
 19 Kerr Tobacco Act of June 28, 1934, and Public Resolution
 20 Numbered 76, approved March 14, 1936 ; section 32 of the
 21 Act of August 24, 1935, and related legislation ; Supple-
 22 mental Appropriation Act, fiscal year 1936 ; sections 7 to 17
 23 of the Soil Conservation and Domestic Allotment Act ; Sugar
 24 Act of 1937 ; sections 303 and 381 (a) of the Agricultural
 25 Adjustment Act of 1938 and related or subsequent legislation

1 authorizing parity or price adjustment payments; title IV
2 and title V of the Agricultural Adjustment Act of 1938
3 and related legislation; any amendment to any of the
4 foregoing Acts heretofore and any other Act of Congress
5 heretofore enacted authorizing payments to farmers under
6 programs administered through the Agricultural Adjustment
7 Agency; (c) Loans made by or through the Resettlement
8 Administration or the Farm Security Administration out
9 of funds appropriated or made available by or pursuant
10 to the following Acts: April 8, 1935 (49 Stat. 115) ; June
11 22, 1936 (49 Stat. 1608) ; February 9, 1937 (50 Stat. 8) ;
12 June 29, 1937 (50 Stat. 352) ; The Bankhead-Jones Farm
13 Tenant Act, July 22, 1937 (50 Stat. 522 et seq.) ; the
14 Water Facilities Act of August 28, 1937 (50 Stat. 869 et
15 seq.) ; March 2, 1938 (52 Stat. 83, Public Resolution Num-
16 bered 80) ; June 21, 1938 (52 Stat. 809) ; June 30, 1939
17 (53 Stat. 927) ; June 26, 1940 (Public Resolution Num-
18 bered 88) ; flood-restoration loans, Second Deficiency Appro-
19 priation Act, 1943 (57 Stat. 537, 542) ; and subsequent
20 legislation appropriating or making available funds for such
21 loans; commodity loan, purchase, sale, and other programs
22 of the Commodity Credit Corporation; and crop-insurance
23 programs formulated pursuant to title V of the Agricultural
24 Adjustment Act of 1938 (the Federal Crop Insurance Act) ,
25 and any amendment or supplement thereto heretofore or here-

1 after enacted. This Act shall also apply to any indebtedness
2 of farmers evidenced by notes or accounts receivable, title to
3 which has been acquired in the liquidation of loans to coopera-
4 tive associations made under the provisions of the Act of
5 June 15, 1929 (46 Stat. 11).

6 SEC. 3. There is hereby authorized to be appropriated,
7 out of any money in the Treasury not otherwise appropriated,
8 such amount as may be necessary to enable the Secretary
9 to carry out the provisions of this Act, and the current and
10 subsequent appropriations to enable the Secretary to admin-
11 ister the respective Acts of Congress or programs to which
12 the aforesaid payments or loans or extensions of credit relate
13 shall also be available for the administrative expenses of
14 carrying out this Act.

15 SEC. 4. (a) Whoever makes any material representation,
16 knowing it to be false, for the purpose of influencing in any
17 way the action of the Secretary, or of any person acting
18 under his authority, in connection with any compromise,
19 adjustment, or concelation of indebtedness provided for
20 herein, shall, upon conviction thereof, be punished by a fine
21 of not more than \$1,000 or by imprisonment for not more
22 than one year, or both.

23 (b) No officer or employee of the United States, and no
24 person to whom the Secretary may delegate any power or
25 function under this Act, shall accept any fee, commission,

1 gift, or other consideration, directly or indirectly, for or in
2 connection with any transaction or business related to the
3 compromise, adjustment, or cancelation of indebtedness here-
4 under. Any person violating the foregoing provision shall,
5 upon conviction thereof, be punished by a fine of not more
6 than \$1,000 or by imprisonment for not more than one
7 year, or both.

8 SEC. 5. A complete report to Congress shall be sub-
9 mitted at intervals of six months of all settlements, can-
10 celations, or adjustments authorized and completed pursuant
11 to this Act.

Passed the Senate September 21 (legislative day, Sep-
tember 1), 1944.

Attest:

EDWIN A. HALSEY,

Secretary.

78TH CONGRESS
2^D SESSION

S. 1688

AN ACT

To authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

NOVEMBER 16, 1944

Referred to the Committee on Agriculture



AUTHORIZING SECRETARY OF AGRICULTURE TO COMPROMISE, ADJUST, OR CANCEL CERTAIN INDEBTEDNESS

DECEMBER 1, 1944.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. FLANNAGAN, from the Committee on Agriculture submitted the following

REPORT

[To accompany S. 1688]

The Committee on Agriculture, to whom was referred the bill (S. 1688) to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, having considered the same, report thereon with a recommendation that it do pass.

The purpose of the bill is to provide a means of disposing of, by compromise, adjustment, or cancelation, a very large number of small debts owing to the Government, growing out of loan, payment, or other programs administered by the Department of Agriculture. Section 1 authorizes and directs the Secretary to compromise, adjust, or cancel such debts if he finds on investigation that (1) the indebtedness has been due and payable 5 years or more; (2) the debtor is unable to pay in full and has no reasonable prospect of so doing; (3) the debtor has acted in good faith to meet his obligation; and (4) the principal amount of the indebtedness is not in excess of \$1,000. Further, the Secretary is authorized in his discretion to cancel such indebtedness if (1) the amount is less than \$10; or (2) the debtor is deceased and there is no reasonable chance of recovering from his estate; or (3) his whereabouts has remained unknown for 2 years; or (4) he has been discharged of the indebtedness in bankruptcy proceedings.

The authority is a continuing one, applicable to debts of the types enumerated in the bill when, in the future, they have been outstanding for the periods specified. It is believed that the findings just enumerated, which must be made before a compromise settlement can be effected, provide sufficient safeguards against refusal to pay

by those who are able to do so, in the hope that settlement for a smaller amount might be effected later.

Section 2 enumerates the acts of Congress authorizing the loans or payments from which the indebtedness referred to arose. These are listed under subsections a, b, and c. Section 2 (a) includes authorizations for emergency crop and feed loans, drought relief loans (1934-35), and loans for the purchase of capital stock in agricultural credit corporations. Section 2 (b) lists legislation authorizing Agricultural Adjustment Agency, Soil Conservation, and certain other programs, the debts here originating from overpayments made to cooperators failing to earn the full amount of the practice or other authorized payment, or overpayments due to administrative error. Section 2 (c) lists appropriations or authorizations for loans to the Resettlement Administration and the Farm Security Administration, principally rural-rehabilitation loans, and certain legislation authorizing Commodity Credit Corporation and Federal Crop Insurance Corporation programs.

Section 3 authorizes such appropriations as may be necessary for carrying out the provisions of the act and also authorizes the use for this purpose of current and subsequent appropriations to enable the Secretary of Agriculture to administer the acts of Congress or programs to which the payments, loans, or extensions of credit enumerated in the act relate. Section 4 provides penalties for the making of material false representations to influence the Secretary or his representatives in exercising the authority contained in section 1, or for the acceptance by those to whom the Secretary delegates authority under the act of fees, commissions, gifts, or other considerations in exercising such authority. Section 5 requires that a complete report be made to the Congress at intervals of 6 months on actions taken under the provisions of the act.

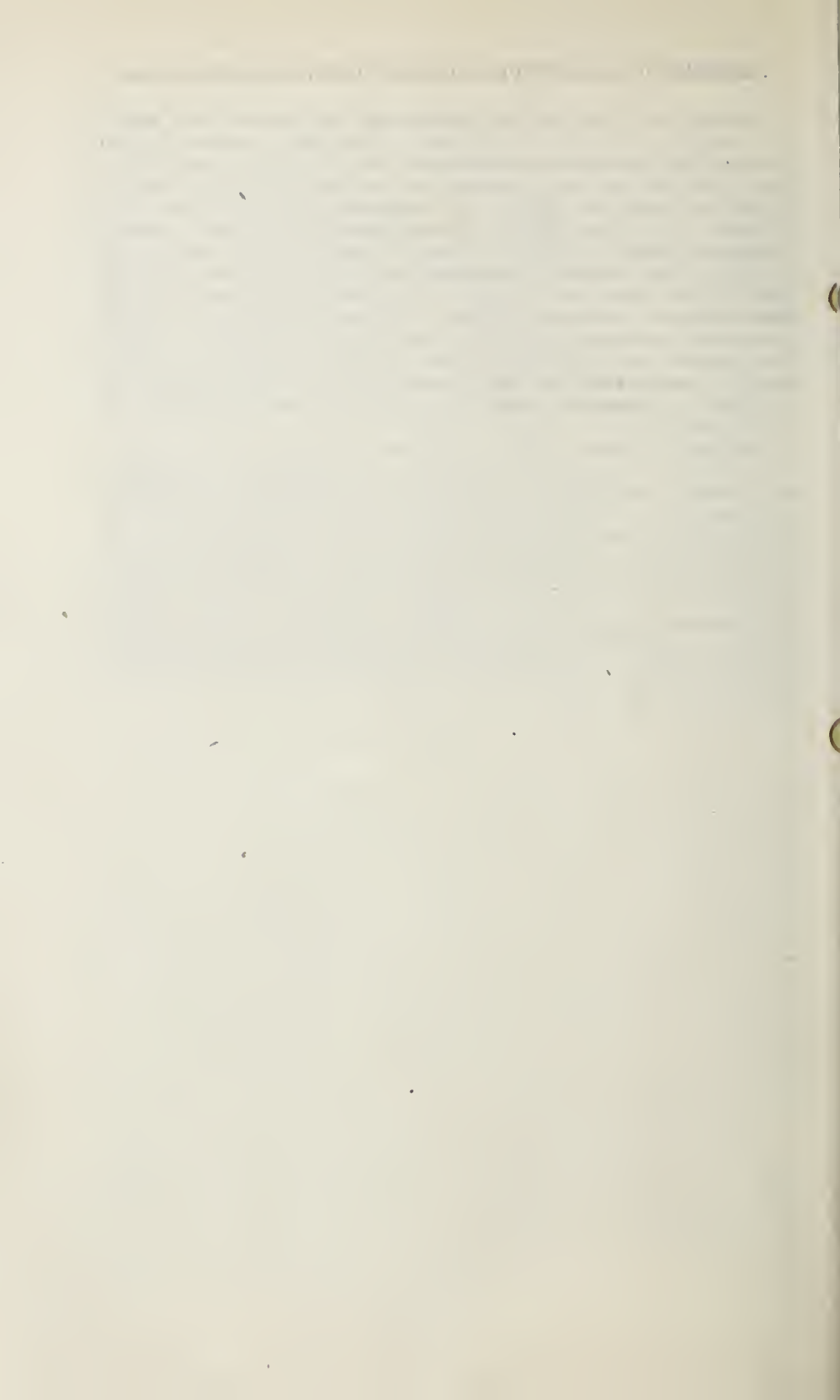
The approximate amounts of indebtedness now 5 or more years past due in the various categories enumerated in the bill are (1) seed and feed loans, \$93,800,000; 1934-35 drought relief loans, \$37,700,000; and loans for the purchase of capital stock of agricultural credit corporations and notes and accounts receivable acquired in the liquidation of certain loans to cooperative associations made from the Agricultural Marketing Act, revolving fund, \$600,000, the total held by the Farm Credit Administration as just enumerated being about \$132,100,000; (2) debts arising from Resettlement Administration or Farm Security Administration loan programs, \$50,000,000; (3) agricultural adjustment and related programs enumerated in section 2 (b) of the bill, \$500,000; (4) Commodity Credit Corporation, \$400,000; and (5) Federal Crop Insurance Corporation, none. It is, however, felt desirable to include debts owing to Federal Crop Insurance Corporation in the authorization, as a considerable number of small accounts, totaling not more than \$25,000, will become eligible for settlement under the terms of the bill within the next year or two.

The total amount of the indebtedness enumerated in the preceding paragraph is \$183,000,000. Of this amount, somewhere around \$165,000,000 would come within the \$1,000 limitation established in the bill. Debts in excess of this limitation would, of course, be eligible for compromise or other settlement under the long-standing authority of the Secretary of the Treasury.

Not only is it expected that considerable amounts not now collectible would be returned to the Treasury if this bill is enacted, but material savings in administrative expense would eventually result. More than 1,100,000 separate accounts are involved in the indebtedness 5 years or more old held by the Emergency Crop and Feed Loan Division of the Farm Credit Administration alone, these accounts averaging slightly over \$100. Many thousands of these balances are for \$10 or less. Other thousands come under the other categories listed in the latter part of section 1 of the bill—deceased persons, those whose addresses are unknown, and those who have gone through bankruptcy proceedings. Every one of these accounts, no matter how small or how uncollectible, must be carried on the books and subjected to annual audit and other procedures. In many cases, the cost of collecting the smaller balances, even if collectible, would be in excess of the returns.

For nearly 20 years, bills have been introduced in the Congress from time to time proposing various methods of disposing of unpaid feed and seed loans and similar indebtedness, most of them proposing outright cancelation of loans outstanding for three, five, or some other specified period, without regard to the ability of the borrower to repay. It is believed that this bill provides the most equitable method yet proposed of dealing with these old debts, a large proportion of which are now 10 years or more old. It grants authority to effect compromise settlement, based on the ability of the borrower to repay, and authorizes cancelation only in those cases where the debt appears to be uncollectible. It is believed to be fair both to the Government and the borrower.

○



Union Calendar No. 662

78TH CONGRESS
2^D SESSION

S. 1688

[Report No. 2006]

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 16, 1944

Referred to the Committee on Agriculture

DECEMBER 1, 1944

Committed to the Committee of the Whole House on the state of the Union
and ordered to be printed

AN ACT

To authorize the Secretary of Agriculture to compromise, adjust,
or cancel certain indebtedness, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the Secretary of Agriculture, hereinafter referred to as
4 the Secretary, is hereby authorized and directed to compro-
5 mise, adjust, or cancel indebtedness arising from loans and
6 payments made or credit extended to farmers under the pro-
7 visions of the several Acts of Congress or programs enumer-
8 ated in section 2: *Provided*, That the Secretary finds, after
9 such investigation as he deems sufficient to establish the facts,
10 that (1) said indebtedness has been due and payable for five
11 years or more; (2) the debtor is unable to pay said indebted-

1 ness in full and has no reasonable prospect of being able to do
2 so; (3) the debtor has acted in good faith in an effort to meet
3 his obligation; and (4) the principal amount of said indebted-
4 ness is not in excess of \$1,000. The Secretary is hereby
5 further authorized at his discretion to cancel and discharge
6 indebtedness arising under said Acts of Congress or programs
7 when the amount of said indebtedness is less than \$10, or the
8 debtor is deceased and there is no reasonable prospect of
9 recovering from his estate, or his whereabouts has remained
10 unknown for two years and there is no reasonable prospect
11 of obtaining collection, or he has been discharged of the in-
12 debtedness in any proceeding under the Act entitled "An Act
13 to establish a uniform system of bankruptcy throughout the
14 United States". The compromises, adjustments, or cancela-
15 tions authorized by this section shall be effected through such
16 agencies, upon such terms and conditions, and subject to such
17 regulations, as the Secretary may prescribe, and the Secre-
18 tary may delegate the exercise of any such powers and func-
19 tions to such officers or employees of the Department of
20 Agriculture as he may designate.

21 SEC. 2. The provisions of this Act shall apply to any
22 indebtedness of farmers arising from loans or payments made
23 or credit extended to them under any of the following Acts
24 or programs: (a) July 1, 1918 (40 Stat. 635); March 3,
25 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467);

1 April 26, 1924 (43 Stat. 110) ; February 25, 1927 (44
 2 Stat. 1245) ; February 28, 1927 (44 Stat., part II, 1251) ;
 3 February 25, 1929 (45 Stat. 1306), as amended May 17,
 4 1929 (46 Stat. 3) ; March 3, 1930 (46 Stat. 78-79), as
 5 amended April 24, 1930 (46 Stat. 254) ; December 20,
 6 1930 (46 Stat. 1032), as amended February 14, 1931 (46
 7 Stat. 1160) ; February 23, 1931 (46 Stat. 1276) ; Jan-
 8 uary 22, 1932 (47 Stat. 5) ; March 3, 1932 (47 Stat. 60) ;
 9 February 4, 1933 (47 Stat. 795) ; February 23, 1934
 10 (48 Stat. 354) ; June 19, 1934 (48 Stat. 1056) ; February
 11 20, 1935 (49 Stat. 28) ; March 21, 1935 (49 Stat. 50) ;
 12 April 8, 1935 (49 Stat. 115) ; (Executive Order Numbered
 13 7305) ; January 29, 1937 (50 Stat. 5) ; and February 4,
 14 1938 (52 Stat. 27) ; (b) Agricultural Adjustment Act (of
 15 1933) ; Bankhead Cotton Act of April 21, 1934, on account
 16 of the several cotton tax-exemption certificate pools ; Jones-
 17 Connally Cattle Act of April 7, 1934 ; Emergency Appro-
 18 priation Act, fiscal year 1935, approved June 19, 1934 ;
 19 Kerr Tobacco Act of June 28, 1934, and Public Resolution
 20 Numbered 76, approved March 14, 1936 ; section 32 of the
 21 Act of August 24, 1935, and related legislation ; Supple-
 22 mental Appropriation Act, fiscal year 1936 ; sections 7 to 17
 23 of the Soil Conservation and Domestic Allotment Act ; Sugar
 24 Act of 1937 ; sections 303 and 381 (a) of the Agricultural
 25 Adjustment Act of 1938 and related or subsequent legislation

1 authorizing parity or price adjustment payments; title IV
2 and title V of the Agricultural Adjustment Act of 1938
3 and related legislation; any amendment to any of the
4 foregoing Acts heretofore and any other Act of Congress
5 heretofore enacted authorizing payments to farmers under
6 programs administered through the Agricultural Adjustment
7 Agency; (c) Loans made by or through the Resettlement
8 Administration or the Farm Security Administration out
9 of funds appropriated or made available by or pursuant
10 to the following Acts: April 8, 1935 (49 Stat. 115) ; June
11 22, 1936 (49 Stat. 1608) ; February 9, 1937 (50 Stat. 8) ;
12 June 29, 1937 (50 Stat. 352) ; The Bankhead-Jones Farm
13 Tenant Act, July 22, 1937 (50 Stat. 522 et seq.) ; the
14 Water Facilities Act of August 28, 1937 (50 Stat. 869 et
15 seq.) ; March 2, 1938 (52 Stat. 83, Public Resolution Num-
16 bered 80) ; June 21, 1938 (52 Stat. 809) ; June 30, 1939
17 (53 Stat. 927) ; June 26, 1940 (Public Resolution Num-
18 bered 88) ; flood-restoration loans, Second Deficiency Appro-
19 priation Act, 1943 (57 Stat. 537, 542) ; and subsequent
20 legislation appropriating or making available funds for such
21 loans; commodity loan, purchase, sale, and other programs
22 of the Commodity Credit Corporation; and crop-insurance
23 programs formulated pursuant to title V of the Agricultural
24 Adjustment Act of 1938 (the Federal Crop Insurance Act) ,
25 and any amendment or supplement thereto heretofore or here-

1 after enacted. This Act shall also apply to any indebtedness
2 of farmers evidenced by notes or accounts receivable, title to
3 which has been acquired in the liquidation of loans to coopera-
4 tive associations made under the provisions of the Act of
5 June 15, 1929 (46 Stat. 11).

6 SEC. 3. There is hereby authorized to be appropriated,
7 out of any money in the Treasury not otherwise appropriated,
8 such amount as may be necessary to enable the Secretary
9 to carry out the provisions of this Act, and the current and
10 subsequent appropriations to enable the Secretary to admin-
11 ister the respective Acts of Congress or programs to which
12 the aforesaid payments or loans or extensions of credit relate
13 shall also be available for the administrative expenses of
14 carrying out this Act.

15 SEC. 4. (a) Whoever makes any material representa-
16 tion, knowing it to be false, for the purpose of influencing
17 in any way the action of the Secretary, or of any person act-
18 ing under his authority, in connection with any compromise,
19 adjustment, or cancelation of indebtedness provided for
20 herein, shall, upon conviction thereof, be punished by a fine
21 of not more than \$1,000 or by imprisonment for not more
22 than one year, or both.

23 (b) No officer or employee of the United States, and no
24 person to whom the Secretary may delegate any power or
25 function under this Act, shall accept any fee, commission,

1 gift, or other consideration, directly or indirectly, for or in
2 connection with any transaction or business related to the
3 compromise, adjustment, or cancelation of indebtedness here-
4 under. Any person violating the foregoing provision shall,
5 upon conviction thereof, be punished by a fine of not more
6 than \$1,000 or by imprisonment for not more than one
7 year, or both.

8 SEC. 5. A complete report to Congress shall be sub-
9 mitted at intervals of six months of all settlements, can-
10 celations, or adjustments authorized and completed pursuant
11 to this Act.

Passed the Senate September 21 (legislative day, Sep-
tember 1), 1944.

Attest:

EDWIN A. HALSEY,
Secretary.

AN ACT

To authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

November 16, 1944

Referred to the Committee on Agriculture

DECEMBER 1, 1944

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued December 12, 1944, for actions of Monday, December 11, 1944)

(For staff of Department only)

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SENATE

1. RIVERS AND HARBORS BILL. Continued debate on this bill, H. R. 3961 (pp. 9250-76, 9281-94).
During the debate Sen. Langer, N. Dak., spoke in favor of the development of the St. Lawrence waterway to reduce grain shipping costs and bring to the farmer cheap electric power (p. 9274). Sen. Aiken, Vt., (for himself and Sens. Shipstead, Minn., and Ferguson, Mich.) offered an amendment providing for the post-war development of this waterway (p. 9291).
Agreed to Sen. Hill's (Ala.) request to vote on the St. Lawrence waterway not later than 3:00 today (Dec. 12) (p. 9294).
2. COCONUT TARIFF. Passed without amendment H. R. 1033, to suspend during the emergency the tariff duty on coconuts (p. 9274). This bill will now be sent to the President.
3. PERSONNEL; ECONOMY. Received the Reduction of Nonessential Federal Expenditures (Byrd) Committee report on civilian employment in the executive branch for October 1944 (pp. 9237-8).
4. FARM PROGRAM. Sen. Capper, Kans., inserted a report of the National Grange's legislative program favoring foreign trade development, support prices, parity prices which include farm-labor costs, relaxation of Government controls, cooperatives, farm credit, crop insurance, extension of rural electrification, rural health programs, cotton program based on soil conservation, and revision of Lend-Lease Act to prevent its use for non-war purposes; and opposing freight rate increases, corporation farming, and subsidies in lieu of fair prices (pp. 9236-7).
5. POST-WAR PLANNING. Sen. Kilgore, W. Va., inserted the American Legion Commission on Post-War America's report favoring free enterprise as a means of fostering post-war employment, prompt settlement of war contracts, disposal of surplus property according to the Baruch-Hancock report, abandonment of Government controls, simplified taxes, small-business credit, soil and water conservation programs, and domestic- and foreign-market development (pp. 9241-2).

- 5a. APPROPRIATIONS; SMALL BUSINESS. Received from the President a supplemental appropriation estimate of \$100,000,000 for the payment of capital stock of the Smaller War Plants Corporation. (S. Doc. 254). To Appropriations Committee, (p. 9235.)

HOUSE

6. FARM LOANS. Passed with amendment S. 1688, to authorize the Secretary of Agriculture to adjust, compromise, or cancel certain indebtedness of farmers for seed-feed loans, for loans made through FSA, excessive AAA payments, etc. (pp. 9306-9). Agreed, 43-32, to Rep. Cochran's (Mo.) amendment to strike out the section requiring semi-annual reports to Congress regarding such cancellations, etc. (p. 9308).
7. ROAD-AUTHORIZATION BILL. Received the conference report on this bill, S. 2105 (pp. 9320-3).
The conferees adopted the House figure of \$500,000,000 (Senate, \$450,000,000). The amounts for forest highways (\$25,000,000) and forest development roads and trails (\$12,500,000) remain unchanged.
8. TRAVEL. Passed without amendment H. R. 4547, to permit compensation, on a mileage basis, of civilian officers or employees for the use of privately owned airplanes while traveling on official business (pp. 9325-6).
9. RECLAMATION. Discussed and, at the request of Rep. Barden, N. C., passed over H. R. 4932, to amend the Reclamation Project Act of 1939 so as to extend the time in which amendatory contracts may be made (pp. 9317-9).
10. FLOOD CONTROL. Received the conference report on H. R. 4485, the flood-control bill (pp. 9309-12).
The conferees recommended provisions:
For State approval in determining watershed development; for State review of War and Interior reports; and prohibiting the use of western waters in conflict with their beneficial consumptive use.
Authorizing Interior to dispose of excess electric energy generated at War Department reservoir projects,
For recognition of established laws and principles pertaining to water ownership in the Western States and storage of surplus water at War Department reservoirs.
To limit the authority of the Secretary of War to the issuance of instructions for release of Tennessee River water when floods threaten.
For "more effective administration in relation to the various technical features of the Federal reclamation laws" and to establish "a procedure for the utilization of multiple-purpose projects for irrigation purpose when the Secretary of War determines...that a project may be utilized for irrigation purposes."
For comprehensive plans for the development of the Missouri River Basin as proposed in S. Doc. 247, 73th Cong., and authorizations for \$200,000,000 for the Corps. of Engineers and \$200,000,000 for the Secretary of the Interior for part of this work.
For reimbursement for levee rights-of-way at actual market value regardless of State law and limiting payments to local tax assessment valuations.
That in connection with Agriculture Department projects, land may be acquired, but only with the consent of the States and with payments in lieu of taxes.
For authorizations of Agriculture Department projects as follows:
Santa Ynez watershed, \$434,000
Trinity River Basin, \$32,000,000
- 11.

knows that the minority members do not control the Committee on Rules, and that if he were sufficiently interested in having that bill enacted into law he simply had to make application for a rule, and if his party had been convinced of its merits, a rule most certainly would have been granted. In fact, the gentleman does a disservice to the House when he indicates to the public the expectation that a bill not only authorizing but also actually appropriating \$10,000,000 to satisfy claims for damages which are at least 15 years old would be passed by this House by unanimous consent on the Consent Calendar. The people of the country should know that greater consideration and thought and deliberation and study is given to matters of that size and that importance than to have them passed by unanimous consent on Consent Calendar day.

I withdraw my reservation of objection, Mr. Speaker.

Mr. PETERSON of Florida. Mr. Speaker, reserving the right to object, when the bill came up on the Consent Calendar the situation outlined by the gentleman was this: Three gentlemen objected to the consideration of it at that time. That became public property. It was entered in the CONGRESSIONAL RECORD, and the press of my State naturally asked the names of those who objected, and that information was published in the State, not through my contrivance or any particular desire of my own. I have a high regard for each of the gentlemen and am sure they were doing their duty as they saw it. But the situation is this, that it is not the rule, as I understand generally, for the Committee on Rules to grant a rule if the matter is still pending on the Consent Calendar.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think what the gentleman meant to say is that it is not the practice of the Committee on Rules to grant a rule on a private bill.

Mr. PETERSON of Florida. That is right.

Mr. McCORMACK. That is what I think the Record should show.

Mr. PETERSON of Florida. That is correct. It was my desire to use every effort to get the bill up by consent without having to apply to the Committee on Rules for a rule. I think every effort should be made to bring the matter up by consent before applying for a special rule. The House has had a heavy legislative program since this bill was reported. I was hopeful that that could be done, especially in view of the fact that a joint committee of both the House and the Senate had carefully investigated these matters and that these bills were the result of such investigations; in fact, the bills were prepared by the joint committee that investigated the matters and made recommendations of compensation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ten-

nessée that the bill be passed over without prejudice?

There was no objection.

ADMINISTRATIVE JURISDICTION OF CERTAIN OREGON LANDS

The Clerk called the bill (S. 275) relating to the administrative jurisdiction of certain public lands in the State of Oregon.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. ELLSWORTH. Reserving the right to object, Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, this bill concerns only some 460,000 acres of land in the State of Oregon. The reason for the legislation is to settle, by act of Congress, the question as to which department of the Government shall have the administration of the lands, which are claimed by both the Forest Service of the Department of Agriculture and by the O. and C. Administration, of the Department of the Interior. The question of money is not involved in this bill, since the policy concerning the disposition of the proceeds from these lands was determined by the Congress in 1937. The question has to do with administration. The Public Lands Committee of this House, of which I am a member, has held long and exhaustive hearings on this bill. Hearings have been held on it in Oregon. Our committee has determined that the lands properly belong in the O. and C. Administration and has so reported in this bill with the recommendation that it do pass. The Members of Congress from Oregon favor the passage of this bill. The county courts and the people generally in the counties affected by it favor its passage. I hope the House will pass this bill and thus put an end to a dispute which has existed for some time to the detriment of proper forest conservation in my State.

Mr. COCHRAN. Reserving the right to object, Mr. Speaker, in view of the fact that the gentleman from Oregon has extended his remarks at this point in the Record on this subject, may I say that I have a great deal of information about this bill and it shows that there are millions of dollars and nearly 500,000 acres of land involved. I ask unanimous consent to extend my remarks at this point in the Record on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, the report on this bill does not give to the House the information to which it is entitled in view of the fact that there is a large sum of money involved.

The information that comes to me, and it is not shown by the report, is that this bill provides for the transfer to the In-

terior Department of 462,000 additional acres of ground. One of the objections to this bill is that instead of making the payment of 25 percent, as is now provided on national forest lands, it raises the payment to 75 percent. This differential will mean additional expense to the Government.

I am further informed that the value of the timber alone is around \$10,000,000, which would mean that the various counties would receive \$7,500,000.

It does not appear to me that a bill of this character should be passed by unanimous consent, but should be thoroughly debated.

The SPEAKER. Is there objection to the request of the gentleman from Indiana that the bill be passed over without prejudice?

There was no objection.

FREE HIGHWAY BRIDGE ACROSS THE CLINCH RIVER, TENN.

The Clerk called the bill (H. R. 5002) granting the consent of Congress to the State of Tennessee Department of Highways and Public Works to construct, maintain, and operate a free highway bridge across the Clinch River at the point where such river is crossed by United States Highway No. 25E.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Tennessee Department of Highways and Public Works to construct, maintain, and operate a free highway bridge and approaches thereto across the Clinch River in a manner suitable to the interests of navigation at the point where such river is crossed by United States Highway No. 25E, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, as amended, and subject to the conditions and limitations contained in this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BELFRY COAL CO.

The Clerk called the bill (H. R. 5206) to authorize Belfry Coal Co. to construct, maintain, and operate a free suspension bridge conveyor across the Tug Fork of the Big Sandy River at or near Sprigg, W. Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Belfry Coal Co. (not incorporated), its successors or assigns, is hereby authorized to construct, maintain, and operate a free suspension bridge conveyor and approaches thereto across the Tug Fork of the Big Sandy River between Pike County, Ky., and Mingo County, W. Va., at mile 63.8 at or near Sprigg, W. Va., at a point suitable to the interests of navigation, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

Sec. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING SECRETARY OF AGRICULTURE TO ADJUST CERTAIN INDEBTEDNESS

The Clerk called the bill (S. 1688) to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

The **SPEAKER**. Is there objection to the present consideration of the bill?

Mr. **COLE** of New York. Reserving the right to object, Mr. Speaker, this bill is of considerable interest to the Members, I am sure. A considerable amount of money is involved and there is at least the possibility of considerable losses. I suggest that the gentleman from Virginia explain the bill so that the Members may understand it.

Mr. **FLANNAGAN**. Mr. Speaker, for a number of years there has been quite a demand both in the Senate and in the House that authority be given the Governor of the Farm Credit Administration and the Secretary of Agriculture to compromise and adjust certain small loans and payments that have been made over the years under certain agricultural programs.

This bill was thoroughly considered by the Senate during this session and was unanimously reported and unanimously passed. It came before the House committee and we also held hearings. After we had given due consideration to the bill, a unanimous report was made.

It is true that this legislation does not go as far as certain Members would like to see it go; in other words, certain Members would like to see an outright cancelation of many of these old debts. The committee did not go that far. However, those who think we did not go far enough are willing to take half a loaf rather than have this legislation defeated.

There is real necessity for this legislation. For 20 years or more there has been a demand that some adjustment or compromise be made of the old feed and seed loans. One million one hundred thousand of them are for less than \$100. Many thousands of them are for only a dollar or two. It is pretty costly to service those debts from year to year.

The legislation as unanimously passed by the Senate and unanimously reported out of the House Committee on Agriculture gives the Governor of the Farm Credit Administration and the Secretary of Agriculture the right to adjust and compromise these old debts provided, first, if the indebtedness has been due and payable for 5 years or more; second, the debtor is unable to pay in full and has no reasonable prospect of so doing; third, the debtor has acted in good faith to meet his obligations; and fourth, the principal amount of the indebtedness is not in excess of \$1,000.

Mr. **COLE** of New York. Mr. Speaker, I should like to inquire of the gentleman the reason for the provision in section 5 directing the Secretary of Agriculture to submit a report to the Congress at the end of every 6 months, pursuant to this act?

Mr. **FLANNAGAN**. Mr. Speaker, that was put in so the Congress could have a complete check on any and all adjustments or compromises and would be able to see just what was going on under the terms of the act. In other words, we want to keep a check on the administration of this act.

Mr. **COLE** of New York. I think that is a highly laudable objective. May I inquire if the Secretary of Agriculture is directed by the provisions of existing law in other matters to submit reports to the Congress, and if so, are those reports carefully studied by the gentleman's committee when they are received?

Mr. **FLANNAGAN**. I would say probably that is true, but in this case where we are giving authority to adjust and compromise claims, although they are of small amounts, I believe that a report should be made to the Congress every 6 months so we will know that the intent of the Congress is being carried out, with reference to the adjustments and compromises.

Mr. **COLE** of New York. Mr. Speaker, with the assurance that the gentleman's committee will study the reports as they come in, I see no reason why they should not be made, but if the reports are going to be submitted to the Congress for the purpose of being filed away and no attention paid to them, I see no reason then why they should be made.

Mr. **FLANNAGAN**. Mr. Speaker, I think the Committee on Agriculture would like to have the reports and I think the reports are going to be scrutinized rather carefully.

Mr. **COLE** of New York. Mr. Speaker, I withdraw my reservation of objection.

Mr. **COCHRAN**. Mr. Speaker, reserving the right to object, I have another objection besides the one the gentleman from New York mentioned. In the first place, according to the report, there are 1,000,000 claims involved.

Mr. **FLANNAGAN**. There are a good many more claims than that. There are 1,100,000 claims in connection with the old feed and seed loans, of an amount of \$100 or less.

Mr. **COCHRAN**. Mr. Speaker, the gentleman is very frank. He does not intend to say that he wants the Secretary of Agriculture to make a list with the names of over a million people on it and send it to the Congress? Look at the cost of the paper alone. All you would receive would be a list saying "John Jones, \$20. Bill Smith, \$5." What good is a report such as that?

Mr. **FLANNAGAN**. Mr. Speaker, may I say to the gentleman from Missouri that these adjustments and compromises from their very nature, cannot be made overnight. I think it is very important for the Committee on Agriculture to keep an eye on the way this authority is being exercised. If later on we feel that such a report can be dispensed with, I would be glad to recommend that. But certainly to begin with, to see how this authority is going to be exercised by the Governor of the Farm Credit Administration and the Secretary of Agriculture, I think we should have that report.

Mr. **COCHRAN**. Let me say further looking at the report—and I am taking

this from the report—let the Members of the House listen to this so that they will know what they are doing by unanimous consent. The report itself says there are \$165,000,000 involved. How about the farmers who borrowed the hundreds of millions of dollars as a result of your vote and my vote, loaning money to them to buy seed during a great distress period? That great majority of farmers have paid their debt to the Government. Nobody can tell me there are a million or more farmers in this country today who are not able to pay a small loan to the United States Government. I think we are discriminating against the honest farmer who paid his indebtedness to the Government, by relieving all these farmers. This is a precedent that could be followed later, if the time comes, which I hope it never will, when we will have to appropriate money to allow the farmers to buy seed or something else, and they will say "What is the use to pay it back? In due time the Congress will relieve us of it."

Mr. **FLANNAGAN**. Many of these loans were made in the drought-stricken areas. It was as much a relief proposition as going to the aid of those who suffered by reason of floods in the Mississippi Valley.

Mr. **HOPE**. Mr. Speaker, will the gentleman yield?

Mr. **COCHRAN**. I yield.

Mr. **HOPE**. I want to say to the gentleman from Missouri that the fact there are a million accounts involved, does not mean there are a million farmers involved. There may be several accounts with one farmer. I do not think there are anything like a million farmers involved in this particular situation. I am not sure of the exact number, but there are not anything like a million.

Mr. **COCHRAN**. The report says there are 1,700,000 separate accounts held by the Emergency Crop and Feed Loan Division. The word "separate" is used in the report.

Mr. **HOPE**. As I understand it, if a man makes a loan one year, that is an account. The next year he makes another loan and that is another account. In some cases these loans have been made to farmers in several different years during the drought period, and they were not able to make payment, or at least complete payment in any of those years.

Mr. **COCHRAN**. The gentleman will not deny there are \$165,000,000 involved?

Mr. **HOPE**. No.

Mr. **FLANNAGAN**. That is true, but we do not contemplate that there will be anything like \$165,000,000 in losses.

Mr. **HOPE**. Of the \$165,000,000 I want to say that some of that money will never be collected. The Farm Credit Administration believes that they will get more money if we give them this authority to compromise and settle this indebtedness than if they do not have that authority, and I think so, too.

Mr. **CASE**. Mr. Speaker, will the gentleman yield?

Mr. **FLANNAGAN**. I yield.

Mr. **CASE**. There is one other point that should be brought out and that is

that this probably does not mean much more than relief in the way of procedure. At the present time these accounts, if uncollectible by the Department of Agriculture, are certified to the Department of Justice. The Department of Justice has authority to make compromises or discounts after the account has been resolved to judgment, but it only makes those compromises when they have been recommended by the Department of Agriculture. All this bill really does is to make it possible to negotiate those compromises through the Department of Agriculture without resort to the process of sending them to the Department of Justice and resolving them to judgment, and adding costs to the account, throwing additional burdens on the Government as well as the farmer.

Mr. COCHRAN. Is that statement correct, that the department can compromise them now, but that they have to go through the Department of Justice?

Mr. FLANNAGAN. That is right. These small farmers cannot follow that procedure. On all claims of a thousand dollars and over they still have to go through the Treasury Department.

Mr. COCHRAN. I will say to the gentleman from West Virginia, in view of the statement that if they are given permission to make these compromises they must go through the Department of Justice and those over \$1,000 must go through the Treasury, I will not object to the bill providing he will agree to strike out section 5.

Mr. FLANNAGAN. I hope the gentleman will not insist upon striking out section 5. That is the section providing for the report.

Mr. COCHRAN. The gentleman can get the information from the Department of Agriculture any time he desires. Why require them to make a separate report every 6 months or every year? The result will be they will have to set up a division to do nothing else. That means employees and material.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. McCORMACK. I think this is a very good bill. I am glad the gentleman from Missouri is not going to object because, as the gentleman from South Dakota said, the Department of Justice now makes settlements but it can be only after judgment and then upon recommendation of the Department of Agriculture. But "judgment" means machinery. The Department of Justice has to bring suit and go into court. Now this bill will mean the elimination of a trial and take a lot of work off the Department of Justice which it is now doing.

Further, I believe this suggestion of the gentleman from Missouri might well be adopted because reporting these settlements to Congress where they are under a certain amount seems to me to be unnecessary, for the committee can get that information itself. It seems to me the bill would be made stronger and more effective if the committee adopted the suggestion of the gentleman from Missouri. That is my view.

Mr. FLANNAGAN. Very well; I will accept the gentleman's suggestion.

Mr. COCHRAN. In view of what the chairman says, I will withdraw my objection.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from Virginia if this is not practically identical with the bill which passed this House in 1940?

Mr. FLANNAGAN. That is right. I certainly hope there will be no objection to this bill, because it will do untold good to the farmers who just cannot pay.

Mr. H. CARL ANDERSEN. Mr. Speaker, I sincerely hope that no one will object to the consideration of this measure today.

Four years ago last June the House passed unanimously practically this same sort of legislation, then known as the Jones bill, but in reality my measure, as the gentleman from South Dakota [Mr. CASE] explained on June 3, 1940:

The bill under consideration, following a suggestion by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], as I understand it, will create what amounts to a statute of limitations.

Mr. Speaker, allow me at this time to quote in part my remarks on June 3, 1940, when this sort of legislation first passed the House. Today these same statements hold good:

I am sure that if the Members of this House could look into my files and see the hundreds of letters received by me entreating that something be done to remove this millstone from around the necks of farmers that there would be no objection. * * * I wonder how many of you here today know what discouragement it is to a family who are depending on a wheat, corn, hay, or any other crop for their bread and butter and clothes, to suddenly see the hot winds destroy and shrivel up these crops and leave this family practically destitute. The drought of 1934 did this to thousands of the best farmers in America throughout the Middle West. They were forced to ask for aid. Do you, ladies and gentlemen of the House, think for 1 minute that these farmers enjoyed asking our Government for aid following this drought that they might keep their livestock alive?

Mr. Speaker, in this bill today much of the huge amount of money involved was loaned to drought-stricken farmers in that era. These loans ought to have been considered direct relief at that time. This legislation will permit the adjustment and compromising of these old debts, provided that the farmer has acted in good faith to try to meet his obligations. Today the Government pays too many collectors to attempt to collect installments on this relief granted by that same Government to distressed people. This legislation will remove these debts from the shoulders of those who have tried but are unable to meet these obligations. I repeat, Mr. Speaker, that I hope there will be no objection to this bill and that it will remove the unfair treatment given the great Midwest in the years of the drought era. Relief was given millions in the cities but the farmer was forced to give his note for feed with which to preserve his livestock so that our Nation need not hunger in the future.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, I wish to suggest

to the chairman of the Committee on Agriculture that the procedure already adopted amounts to practically the same thing as the procedure that would be adopted under this bill. The difference is that these poor farmers out there are sued and then they are put to the expense of employing counsel.

Mr. FLANNAGAN. That is right.

Mr. O'CONNOR. Then there is the additional expense of court costs which have to be added to the attorney's fees.

Mr. MUNDT. Mr. Speaker, S. 1688 represents legislation which a number of us from the Middle West have been trying to have enacted for 5 or 6 years. It provides a reasonable and equitable method of adjusting, compromising, and settling the loans made to distressed farmers during the severest days of the droughts and the depression.

Not only is it expected that S. 1688 will enable the Government to collect considerable amounts of money not now collectible but this bill provides an opportunity to greatly reduce the existing administrative expense of servicing these loans. Actually, Mr. Speaker, more than 1,100,000 separate accounts are involved in the indebtedness covered by this act and many thousands of these balances are for \$10 or less. Passage of S. 1688 is a step in the direction of reducing bureaucracy and of providing a just and equitable formula for bringing to final settlement these long overdue accounts which in the first instance were made to be of assistance to people suffering through no mismanagement of their own and through circumstances entirely beyond their realm of control. It is an act which deserves the support of the Congress and the country.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture, hereinafter referred to as the Secretary, is hereby authorized and directed to compromise, adjust, or cancel indebtedness arising from loans and payments made or credit extended to farmers under the provisions of the several acts of Congress or programs enumerated in section 2: *Provided,* That the Secretary finds, after such investigation as he deems sufficient to establish the facts, that (1) said indebtedness has been due and payable for 5 years or more; (2) the debtor is unable to pay said indebtedness in full and has no reasonable prospect of being able to do so; (3) the debtor has acted in good faith in an effort to meet his obligation; and (4) the principal amount of said indebtedness is not in excess of \$1,000. The Secretary is hereby further authorized at his discretion to cancel and discharge indebtedness arising under said acts of Congress or programs when the amount of said indebtedness is less than \$10, or the debtor is deceased and there is no reasonable prospect of recovering from his estate, or his whereabouts has remained unknown for 2 years and there is no reasonable prospect of obtaining collection, or he has been discharged of the indebtedness in any proceeding under the act entitled "An act to establish a uniform system of bankruptcy throughout the United States." The compromises, adjustments, or cancellations authorized by this section shall be effected through such agencies, upon such terms and conditions, and subject to such regulations, as the Secretary may prescribe, and the Secretary may delegate the exercise of any such powers and functions to such of

ficers or employees of the Department of Agriculture as he may designate.

SEC. 2. The provisions of this act shall apply to any indebtedness of farmers arising from loans or payments made or credit extended to them under any of the following acts or programs: (a) July 1, 1918 (40 Stat. 635); March 3, 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467); April 26, 1924 (43 Stat. 110); February 25, 1927 (44 Stat. 1245); February 28, 1927 (44 Stat., part II, 1251); February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78-79), as amended April 24, 1930 (46 Stat. 254); December 20, 1930 (46 Stat. 1032), as amended February 14, 1931 (46 Stat. 1160); February 23, 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5); March 3, 1932 (47 Stat. 60); February 4, 1933 (47 Stat. 795); February 23, 1934 (48 Stat. 354); June 19, 1934 (48 Stat. 1056); February 20, 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50); April 8, 1935 (49 Stat. 115); (Executive Order No. 7305); January 29, 1937 (50 Stat. 5); and February 4, 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of 1933); Bankhead Cotton Act of April 21, 1934, on account of the several cotton tax-exemption certificate pools; Jones-Connally Cattle Act of April 7, 1934; Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934; Kerr Tobacco Act of June 28, 1934, and Public Resolution No. 76, approved March 14, 1936; section 32 of the act of August 24, 1935, and related legislation; Supplemental Appropriation Act, fiscal year 1936; sections 7 to 17 of the Soil Conservation and Domestic Allotment Act; Sugar Act of 1937; sections 303 and 381 (a) of the Agricultural Adjustment Act of 1938 and related or subsequent legislation authorizing parity or price adjustment payments; title IV and title V of the Agricultural Adjustment Act of 1938 and related legislation; any amendment to any of the foregoing acts heretofore and any other act of Congress heretofore enacted authorizing payments to farmers under programs administered through the Agricultural Adjustment Agency; (c) loans made by or through the Resettlement Administration or the Farm Security Administration out of funds appropriated or made available by or pursuant to the following acts: April 8, 1935 (49 Stat. 115); June 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat. 8); June 29, 1937 (50 Stat. 352); the Bankhead-Jones Farm Tenant Act, July 22, 1937 (50 Stat. 522 et seq.); the Water Facilities Act of August 28, 1937 (50 Stat. 869 et seq.); March 2, 1938 (52 Stat. 83, Public Res. No. 80); June 21, 1938 (52 Stat. 809); June 30, 1939 (53 Stat. 927); June 26, 1940 (Public Res. No. 88); flood-restoration loans, Second Deficiency Appropriation Act, 1943 (57 Stat. 537, 542); and subsequent legislation appropriating or making available funds for such loans; commodity loan, purchase, sale, and other programs of the Commodity Credit Corporation; and crop-insurance programs formulated pursuant to title V of the Agricultural Adjustment Act of 1938 (the Federal Crop Insurance Act), and any amendment or supplement thereto heretofore or hereafter enacted. This act shall also apply to any indebtedness of farmers evidenced by notes or accounts receivable, title to which has been acquired in the liquidation of loans to cooperative associations made under the provisions of the act of June 15, 1929 (46 Stat. 11).

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to enable the Secretary to carry out the provisions of this act, and the current and subsequent appropriations to enable the Secretary to administer the respective acts of Congress or programs to which the aforesaid payments or loans or extensions of credit relate shall also be available for the administrative expenses of carrying out this act.

SEC. 4. (a) Whoever makes any material representation, knowing it to be false, for the purpose of influencing in any way the action of the Secretary, or of any person acting under his authority, in connection with any compromise, adjustment, or cancellation of indebtedness provided for herein, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

(b) No officer or employee of the United States, and no person to whom the Secretary may delegate any power or function under this act, shall accept any fee, commission, gift, or other consideration, directly or indirectly, for or in connection with any transaction or business related to the compromise, adjustment, or cancellation of indebtedness hereunder. Any person violating the foregoing provision shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than 1 year, or both.

SEC. 5. A complete report to Congress shall be submitted at intervals of 6 months of all settlements, cancellations, or adjustments authorized and completed pursuant to this act.

Mr. COCHRAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: Page 6, line 8, strike out all of section 5.

Mr. FLANNAGAN. Mr. Speaker, the committee accepts the amendment.

Mr. DIRKSEN. Mr. Speaker, I move to strike out the last word.

Frankly, Mr. Speaker, I should like to know why the gentleman from Missouri objects to having a report made on this matter from time to time.

Mr. COCHRAN. I may say to the gentleman from Illinois that there are dozens and dozens of laws requiring various agencies of Government to make reports every 6 months or every year in reference to the operation of some law. These reports come down here, the CONGRESSIONAL RECORD is full of them all the time; nobody ever looks at them when they do come down. When I was chairman of the Committee on Expenditures they piled up in the committee room. Let us take the gentleman's own State, a list of the sales of property at the Rock Island Arsenal, 5 inches thick, reporting sale of 2 dozen screws, 500 bolts, and all such stuff as that. Compiling such a list causes a lot of work and costs plenty of money.

Mr. DIRKSEN. Just let me proceed for a moment. We go to the trouble every year of taking testimony on this item before the Appropriations Committee, quizzing the Farm Credit Administration as to the disposition of these small loans that are 5 years old or older. Here comes a proposal to strike out the only section in the bill which would give us some kind of a report whether it is brief, skeletonized, or detailed, or any kind of report showing the disposition of probably a hundred millions or more of potential Government assets. That seems a very queer way to pursue the people's business, and I am opposed to the amendment.

Mr. CASE. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from South Dakota.

Mr. CASE. Certainly, the gentleman does not mean that his committee will

stop its practice of asking for this report every time they come up for hearing.

Mr. DIRKSEN. Certainly not, but why should they not be mandated to make the report, because one must always struggle to get the information one wants as justification for the item.

Mr. McCORMACK. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I do not care what happens. I know the contents of the bill, as I do all bills. I think this is a good bill and, in my opinion, the gentleman's amendment strengthens the bill. A report can be obtained and committees may get these reports. Let me say to the gentleman that I have no farmers in my district, but I would dislike very much to have a report come up from the Department of Agriculture with a list of farmers in my district with their names broadcast and made a permanent record for all time of a settlement, because that to some extent is stigmatizing their names. The report has to include the names and addresses of all settlements. Furthermore, they are all small matters. This is not like calling for the ordinary report. It is a small matter, involving small amounts so far as individuals are concerned, and it seems to me the committee has control over the situation without requiring the Department to make a report in which the names and addresses of all persons are included and a permanent record made for all time. I do not think the gentleman wants to go that far.

Mr. DIRKSEN. I may say to the gentleman from Massachusetts that this is the first time in my experience as a Member of this body that you can compromise a claim owing the Government of the United States without the full details being made available at least to the people's Representatives.

Mr. COCHRAN. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. COCHRAN. May I ask the gentleman how many times has the Appropriations Committee, of which he is a member, asked another committee of the House for some report that a department has filed? Do you not get your own facts when you look into this subject every year?

Mr. DIRKSEN. Yes; but here you will have to go on a fishing expedition every time you want to find out what this is all about. That is too much of a chore within the limits of time that are imposed upon the Members of this body.

Mr. COCHRAN. Mr. Speaker, I insist on the amendment.

Mr. DIRKSEN. Mr. Speaker, I shall want to be recorded in opposition to the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The question was taken, and the Chair being in doubt, the House divided, and there were—ayes 43, noes 32.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

FLOOD CONTROL, PUBLIC WORKS

Mr. WHITTINGTON submitted the following conference report and statement on the bill (H. R. 4485) authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4485) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 27: That the Senate recede from its amendment numbered 27.

Amendment numbered 30: That the Senate recede from its amendment numbered 30.

Amendment numbered 36: That the Senate recede from its amendment numbered 36.

Amendment numbered 39: That the Senate recede from its amendment numbered 39.

Amendment numbered 44: That the Senate recede from its amendment numbered 44.

Amendments numbered 87 and 88: That the Senate recede from its amendments numbered 87 and 88.

Amendment numbered 91: That the Senate recede from its amendment numbered 91.

Amendments numbered 2, 3, 4, 5, 6 and 7: That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6 and 7 and agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10 and agree to the same.

Amendments numbered 12, 13, 14, 15, 16, 17 and 18: That the House recede from its disagreement to the amendments of the Senate numbered 12, 13, 14, 15, 16, 17 and 18 and agree to the same.

Amendments numbered 20, 21, 22, 23, 24 and 25: That the House recede from its disagreement to the amendments of the Senate numbered 20, 21, 22, 23, 24 and 25 and agree to the same.

Amendments numbered 28 and 29: That the House recede from its disagreement to the amendments of the Senate numbered 28 and 29 and agree to the same.

Amendments numbered 31 and 32: That the House recede from its disagreement to the amendments of the Senate numbered 31 and 32 and agree to the same.

Amendments numbered 34 and 35: That the House recede from its disagreement to the amendments of the Senate numbered 34 and 35 and agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38 and agree to the same.

Amendments numbered 40, 41, 42, and 43: That the House recede from its disagreement to the amendments of the Senate numbered 40, 41, 42 and 43 and agree to the same.

Amendments numbered 45, 46, 47, 48, 49, 50 and 51: That the House recede from its disagreement to the amendments of the Senate numbered 45, 46, 47, 48, 49, 50 and 51 and agree to the same.

Amendments numbered 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80 and 81: That the House recede from its disagreement to the amendments of the Senate numbered 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80 and 81 and agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amend-

ment of the Senate numbered 84 and agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90 and agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92 and agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In said Senate amendment, on page 1, strike out lines 3 through 11 and on page 2, strike out lines 1 through 4; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In said Senate amendment, on page 8, line 4, insert commas after the word "generally" and after the word "charge"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with amendments, as follows: In said Senate amendment, on page 8, line 24, after the period insert the following: "Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of the projects) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment allocated to power over a reasonable period of years"; on page 9, line 2, before the word "to" insert the following: "from funds to be appropriated by the Congress"; line 2, strike out the word "and" and insert in lieu thereof the word "or"; line 2, after the word "acquire" insert the words "by purchase or other agreement"; line 8, after the period insert the words "All moneys received from such sales shall be deposited in the Treasury of the United States as miscellaneous receipts", and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In said Senate amendment, line 13, after the word "uses" insert the word "for"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with amendments, as follows: In said Senate amendment, line 23, after the word "prosecuted" insert the words "on any project authorized in this Act to be constructed by the War Department"; page 14, line 11, strike out the word "herein" and after the word "authorized" insert the words "in this Act for construction by the War Department"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with amendments, as follows: In said Senate amendment, line 17, after the word "provided" insert the words "that the Secretary of War determines that"; line 18, after the word "and" insert the word "that"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: In said Senate amendment, on page 21, strike out lines 10 through 25, and on page 22, strike out lines 1 and 2 and insert in

lieu thereof the following: "Paragraph (d) of the Lower Mississippi River item in section 3 of the Flood Control Act of August 18, 1941, is hereby construed to authorize reimbursement for the actual market value of lands, rights-of-way, and easements, furnished subsequent to August 18, 1941, for setbacks of main-line Mississippi River levees, regardless of state laws limiting payments to local tax assessment valuations"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In said Senate amendment, change the colon on line 17 to a period and strike out the remainder of that line and all of lines 18 and 19.

Amendment numbered 40½: That the House recede from its disagreement to the amendment of the Senate numbered 40½, and agree to the same with an amendment, as follows: In said Senate amendment, on line 3, strike out the words "his report of" and on line 4, strike out the words "November 16, 1944", and insert the words "House Document Numbered 802, Seventy-eighth Congress, Second Session,"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with amendments, as follows: In said Senate amendment, line 9, strike out the words "No provision of this or any other Act" and insert the words "Neither this authorization nor any previous authorization"; line 11, change the period to a comma and insert the following "pending submission and adoption by Congress of the report authorized in the Flood Control Act of August 11, 1939,"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with amendments, as follows: In said Senate amendment, line 23, strike out the figures "\$959,465,000" and insert in lieu thereof the figures "\$950,000,000"; line 24, after the word "herein" insert the words "by the War Department"; and the Senate agree to the same.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows: In said Senate amendment, line 14, before the word "protection" insert the word "bank"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment, as follows: In said Senate amendment, line 17, delete the period after the word "government" and add the following: "until the legislature of the state in which the land lies shall have consented to the acquisition of lands by the United States for the purposes within the scope of this section; provided further that there shall be paid annually to the county in which any lands acquired under this section may lie, a sum equal to one per centum of the purchase price paid for the lands acquired in that county or, if not acquired by purchase, one per centum of their valuation at the time of their acquisition."; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: In said Senate amendment, line 6, strike out the figures "\$418,000" and insert in lieu thereof the figures "\$434,000"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows:

In said Senate amendment, on page 52, line 2, strike out the figures "\$12,500,000" and insert in lieu thereof the figures "\$21,700,000"; and the Senate agree to the same.

Amendment numbered 93: That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows: In said Senate amendment, line 10, strike out the figures "12" and insert in lieu thereof the figures "13"; and the Senate agree to the same.

WILL M. WHITTINGTON,
A. LEONARD ALLEN,
A. J. ELLIOTT,
CHARLES R. CLASON,
CARL T. CURTIS,

Managers on the Part of the House.

JOSIAH W. BAILEY,
JOHN H. OVERTON,
THEO G. BILBO,
HAROLD H. BURTON,
OWEN BREWSTER,
HATTIE W. CARAWAY,
BENNETT CHAMP CLARK,
HIRAM W. JOHNSON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4485) entitled "An act authorizing the construction of certain public works on rivers and harbors for flood control and for other purposes" submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

AMENDMENTS

Amendment No. 1: This amendment of the Senate as modified declares it to be the Federal policy to recognize the interest and rights of the States in determining the development of watersheds within their borders and their interests and rights in water utilization and control. It provides for review of reports of the Chief of Engineers and of the Secretary of the Interior by the State or States affected by the reports, and the comments of such affected States will become a part of the report when transmitted to Congress and published as a House or Senate document. In cases of plans or proposals concerned with the use or control of waters which rise in whole or in part west of the ninety-seventh meridian, the written views and recommendations of the Secretary of the Interior also become a part of the report of the Chief of Engineers and the written views and recommendations of the Secretary of War become part of the report of the Secretary of the Interior. The amendment also provides that in connection with the operation and maintenance of projects authorized in this act, the use of waters of the western States for navigation shall not conflict with beneficial consumptive use of the water for domestic, municipal, stock-water, irrigation, mining, or industrial purposes.

Amendment No. 2: This amendment of the Senate changes the designation of section 1 of the bill passed by the House to section 2 of the bill passed by the Senate.

Amendment No. 3: This amendment of the Senate changes the designation of section 2 of the bill passed by the House to section 3 of the bill passed by the Senate.

Amendment No. 4: This amendment of the Senate changes the designation of section 3 of the bill passed by the House to section 4 of the bill passed by the Senate.

Amendments Nos. 5, 6, and 7: These amendments of the Senate insert additional wording for clarification of the bill.

Amendment No. 8: This amendment of the Senate provides that preference in the granting of leases for the use of areas suitable for public park and recreational purposes shall

be given to Federal, State, or local governmental agencies; that water areas shall be open to the general public without charge; and that no use of any area to which section 4 applies shall be permitted which is inconsistent with the laws for the protection of fish and game of the State in which such area is situated.

Amendment No. 9. This amendment of the Senate, as modified, authorizes the Secretary of the Interior to dispose of electric energy generated at reservoir projects under control of the War Department not required in the operation of such projects; authorizes, from funds to be appropriated by the Congress, the construction, or acquisition by purchase or other agreement, of such transmission lines or related facilities as may be necessary in order to make the power and energy generated at such projects available in wholesale quantities on fair and reasonable terms and conditions; it establishes a preference in the sale of such power and energy to public bodies and cooperatives; and it provides that all moneys received from such sales shall be deposited in the Treasury of the United States as miscellaneous receipts. It follows the formula previously established by law for the Bonneville project that rate schedules shall be drawn with regard to recovering to the Government the cost of producing and transmitting the electric energy, including the amortization of the capital investment allocated to power, over a reasonable period of years.

Amendment No. 10: This amendment of the Senate changes the designation of section 4 of the bill passed by the House to section 6 of the bill passed by the Senate.

Amendments Nos. 11 and 13: These amendments of the Senate recognize the established laws and principles pertaining to ownership of the waters in the Western States and clarifies the House-approved language by authorizing contracts for storage of surplus water at War Department reservoirs rather than sale of such water.

Amendment No. 12: This amendment of the Senate protects existing lawful uses of surplus water available at reservoirs under the control of the War Department.

Amendment No. 14: This amendment of the Senate changes the designation of section 5 of the bill passed by the House to section 7 of the bill passed by the Senate.

Amendment No. 15: This amendment of the Senate clarifies the bill by substituting the word "allocated" for "available".

Amendment No. 16: This amendment of the Senate defines and limits the authority of the Secretary of War with regard to the reservoirs under the jurisdiction of the Tennessee Valley Authority to only the issuing of instructions for release of water from the Tennessee River into the Ohio River at such times as there is danger from floods on the lower Ohio and Mississippi Rivers.

Amendment No. 17: This amendment of the Senate replaces section 6 of the House approved bill with certain modified language substantially as requested by the Secretary of the Interior and constitutes section 8 of the Senate approved bill. The Senate language will provide for more effective administration in relation to the various technical features of the Federal reclamation law. It establishes a procedure for the utilization of multiple-purpose projects for irrigation purposes when the Secretary of War determines upon recommendations of the Secretary of the Interior that a project operated under the direction of the Secretary of War may be utilized for irrigation purposes.

Amendment No. 18: This amendment of the Senate is a new section which authorizes the comprehensive plans for the development of the Missouri River Basin proposed by the War Department and the Department of the Interior, as coordinated by the joint report of the Chief of Engineers and the Commissioner of Reclamation (S. Doc. No. 247 of

the 78th Cong.), and it authorizes the appropriation of \$200,000,000 to be expended by the Corps of Engineers and \$200,000,000 to be expended by the Secretary of the Interior for the partial accomplishment of the works authorized in this section to be undertaken by the Corps of Engineers and by the Secretary of the Interior. This section replaces the item in the House-approved bill, which expanded the approved general comprehensive plan for flood control in the Missouri River Basin to include the work recommended by the Corps of Engineers and authorized an appropriation of \$200,000,000 for the partial accomplishment of that work. The Senate has recently accepted an amendment to the river and harbor bill (H. R. 3961) the effect of which is to provide duplicate authorization for the coordinated comprehensive plans for the Missouri River Basin. Such duplicate authority is undesirable and the Senate conferees have given assurances that if this conference report is approved by the House and Senate the duplicating item will be eliminated from the river and harbor bill.

Amendment No. 19: This amendment of the Senate, as modified, changes the designation of section 7 of the bill passed by the House to section 10 of the bill passed by the Senate; and clarifies the language in the House-approved bill to show that the authority for planning projects and for installation of penstocks applies to all projects authorized in this bill for the War Department and does not exclude War Department projects in the Missouri River Basin contained in an earlier section of the bill.

Amendment No. 20: This amendment of the Senate modifies the existing Waterbury, Wrightsville, and East Barre Dams in the Winoski River Basin to provide adequate spillway capacity for present design floods, at an estimated cost of \$2,120,000.

Amendment No. 21: This amendment of the Senate adds a title for an additional river basin; namely, the Blackstone River Basin.

Amendment No. 22: This amendment of the Senate authorizes the construction of the West Hill Reservoir on the West River in Massachusetts for flood control and other purposes, at an estimated cost of \$1,070,000.

Amendment No. 23: This amendment of the Senate authorizes a project on the Blackstone River for local flood protection at Worcester, Mass., by means of a diversion conduit and channel, at an estimated cost of \$2,232,000.

Amendment No. 24: This amendment of the Senate authorizes a project on the Blackstone River for local flood protection at Woonsocket, R. I., by means of channel improvement, at an estimated cost of \$803,000.

Amendment No. 25: This amendment of the Senate authorizes the project for local flood protection on the Seekonk River at Pawtucket, R. I., by means of levees for the protection of the city and adjacent areas, at an estimated cost of \$82,000.

Amendment No. 26: This amendment of the Senate authorizes the Army engineers to construct eight reservoirs in the West River Basin in Vermont instead of the flood-control reservoir authorized by existing law at the Williamsville site in the towns of Dummerston or Newfane, in accordance with an alternative plan submitted by the Vermont State Water Conservation Board as that plan may be modified by agreement between the board and the Secretary of War and the Chief of Engineers; provided that the total cost of the alternate plan as determined by the Secretary of War does not exceed the sum of \$11,000,000, and that 75 percent of the flood control can be secured from that plan which may be secured from the Williamsville Reservoir. In the event that the eight-reservoir plan does not satisfy the above requirements, the Army engineers are authorized to proceed with the construction of the Williams-

11.

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DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued December 13, 1944, for actions of Tuesday, December 12, 1944)
(For staff of the Department only)

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HOUSE

1. ROAD AUTHORIZATIONS BILL. Both Houses agreed to the conference report on this bill, S. 2105 (pp. 9394-9, 9412-4). (For bill's provisions see Digests 148, 161, and 173.) This bill will now be sent to the President.
2. FLOOD CONTROL. Both Houses agreed to the conference report on H.R. 4485, the Whittington flood-control bill (pp. 9399-409, 9414-9). (For provisions of the conference report see Digest 173.) This bill will now be sent to the President.
3. RECLAMATION. Passed with an amendment S. 1782, to extend the time in which amendatory contracts may be made under the Reclamation Project Act of 1939 (pp. 9428-9). Agreed to Rep. Murdock's (Ariz.) amendment to strike out the section providing that after retirement of debts due to a project all net power revenues shall be covered into the reclamation fund (p. 9429).
4. FARM CREDIT. During his speech, "Progress of the War," Rep. Burdick, N.Dak., discussed the efforts of Government to "revive business" and extend credit to farmers, criticized administration policies in connection with RFC and the Federal land banks, and stated, "The price of farm commodities, through support prices, loans, and soil-improvement payments have reached a more just position, enabling the producer of food to protect his investment" (p. 9432).

SENATE

5. CROP INSURANCE. Sen. Hill, Ala., announced that H. R. 4911, the crop-insurance bill will be the pending business for today, Dec. 13 (pp. 9394-9409).
6. FARM LOANS. Concurred in the House amendment to S. 1688, authorizing the Secretary of Agriculture to adjust, compromise, or cancel certain indebtedness of farmers for seed-feed loans, FSA loans, excessive AAA payments, etc. (p. 9394). This bill will now be sent to the President.
7. ELECTRIFICATION. Agriculture and Forestry Committee reported without amendment H. R. 5566, to authorize REA to make loans to cooperative associations to repay or refinance loans from TVA (p. 9394).
8. TRAVEL. Expenditures in the Executive Departments Committee reported without amendment H. R. 4547, to permit compensation, on a mileage basis, of civilian

officers or employees for the use of privately owned airplanes while traveling on official business (p. 9394).

9. RIVERS AND HARBORS BILL. Continued debate on this bill, H. R. 3961 (pp. 9352-94). Rejected, 25-56, Sen. Aiken's amendment providing for the post-war development of the St. Lawrence waterway (p. 9382).
10. FORESTRY. Received this Department's report on forest roads and trails for the fiscal year 1944. To Post Offices and Post Roads Committee. (p. 9350.) House received this report on December 11.
11. SMALL BUSINESS. Received WPB's 15th progress report for Oct. 1-Nov. 30, 1944 on the operations of the Smaller War Plants Corporation. To Banking and Currency Committee. (p. 9350.)

ITEMS IN THE APPENDIX

12. WATER POLLUTION. Rep. Spence, Ky., inserted a Cincinnati Enquirer editorial on water-pollution control in the Ohio River (pp. A5059-60).
13. BUREAUCRACY. Rep. Cravens, Ark., inserted a New York Times article urging a study of the Australian bureaucratic crisis with a view to the better understanding of U. S. problems (pp. A5072-3).
14. FARM PROGRAM. Rep. LeCompte, Iowa, inserted resolutions of the Wayne County, Iowa, Farm Bureau favoring rural electrification, rural schools, construction of farm-to-market roads, the AAA program, maintenance of Federal loan associations and FSA to render financial aid to farmers, regulations on fertilizers, manufacture of farm machinery, erosion control and improved farm-practices program by SCS, family-sized farms, and parity prices for farm products (pp. A5074-5).
15. FARM CLOTHING. Extension of remarks of Rep. Scrivner, Kans., including a letter regarding the shortage of farm work clothing and gloves (p. A5079).

BILLS INTRODUCED

16. COMPENSATION. By Rep. Vinson, Ga., H. R. 5617, to increase salaries as follows: President, from \$75,000 to \$100,000; Vice President, Speaker of the House, and cabinet members, from \$15,000 to \$25,000; members of Congress, from \$10,000 to \$15,000. To Judiciary Committee. (p. 9436.) Remarks of author (pp. 9420-2).
17. EXECUTIVE AUTHORITY. By Sen. McCarran, Nev., S. Res. 352, to extend until not later than the end of the 79th Cong. the date for submission of the report called for by S. Res. 252, 78th Cong., relating to a study into the legal and constitutional authority for the issuance of Executive orders of the President and of departmental regulations. To Audit-Control Committee. (p. 9351.)
18. RETIREMENT. By Mrs. Norton, N. J., H. R. 5616, to extend the existing contributory system of retirement benefits to elective officers of the U. S. and heads of executive departments. To Civil Service Committee. (p. 9436.) Remarks of author (pp. 9430-1).

terest of shellfish production and navigation.

Inland waterway from Norfolk, Va., to Beaufort, N. C., with a view to providing a side channel 12 feet deep through Pasquotank River and Albemarle Sound to Elizabeth City.

Channel from the Thoroughfare to Albemarle Sound, N. C., either by way of lower Cashie River, Middle River, and Bachelors Bay, or by way of any other route.

Purviance Creek, New Hanover County, N. C.

Little Pee Dee River, S. C., from junction of the Lumber River to the Great Pee Dee River, with a view to removing logs, debris, and other obstructions.

Santee-Congaree Buckingham Landing Site, S. C.

Jefferys Creek, Florence County, S. C.

Murrells Inlet, S. C.

Cooper River, S. C., from Charleston Harbor to the Pinopolis power plant.

North River, Ga.

St. Marys River, Ga. and Fla.

St. Johns River, Fla., Palatka to Lake Harney.

Intracoastal Waterway from Jacksonville to Miami, Fla., with a view to providing an auxiliary side channel from the Intracoastal Waterway near Titusville through and easterly of Merritt Island via Banana Creek and River, to or near Eau Gallie, Fla.

Side channels, or spur channels, leading from the Intracoastal Waterway from Jacksonville to Miami, Fla., to and turning basins or harbors at the various communities on or near the banks of said waterway, having particular reference to providing such improvements to and at Titusville, Flagler Beach, New Smyrna, Fort Pierce, and to the Light-house Service Depot at Taylor Creek, adjacent to Fort Pierce Harbor.

St. Augustine Harbor and vicinity, Florida.

Kissimmee River, Fla.

Jupiter Inlet, Fla.

Oklawaha River, Fla., from Lake Apopka through Lake Dora to Lake Eustis and adjoining waterways.

Oklawaha River, Fla., from Lake Eustis to Lake Griffin, and thence from Lake Griffin to Silver Springs Run.

Oklawaha River and its tributaries, Florida, with a view to improvement in the interest of navigation, flood control, and related purposes.

For a system of interlocking open-river and canalized channels having a depth of 12 feet, and of suitable width, to be constructed through rivers and lakes, and by land cuts, as follows: From Palatka, Fla., to the Indian River at Sebastian, Melbourne, Eau Gallie, Cocoa, or such other locality as may be found most suitable; from Titusville westerly to the St. Johns River, thence to Lake Tohopekaliga; from Lake Tohopekaliga to Leesburg, on Lake Harris; from Lake Harris to the St. Johns River near Dexter Lake or alternately from Lake Harris to the Wekiwa River, thence to the St. Johns River; and from Lake Tohopekaliga via the Kissimmee River and Lake Okeechobee to a connection with the Okeechobee Cross-Florida Channel; all with a view to improvement in the interest of navigation, flood control, and water conservation.

Orange Lake Basin, Fla.

Wacassassa River and its tributaries, Florida, with a view to improvement in the interest of navigation, flood control, and related purposes.

Channel and harbor at Everglades, Collier County, Fla.

Bakers Haulover Inlet, Fla.

Waterway from packing house and railroad terminal at Belle Glade, Fla., to Lake Okeechobee and to the Intracoastal Waterway through the Hillsboro and West Palm Beach Canals.

Peace River, Fla.

Channel to Pahokee, on Lake Okeechobee, Fla.

Lake Okeechobee and its tributary streams, Florida, with a view to removing the water-hyacinth.

Fisheating Creek, Fla.

Channel from bridge at Bradenton, Fla., to deep water in Gulf of Mexico (Tampa Bay).

Channel from Tampa Bay to Safety Harbor, Fla.

Channel from Old Tampa Bay to Oldsmar, Fla.

Channel leading from Tampa Bay Channel directly north to the vicinity of Maximo Point near St. Petersburg, Fla.

Channel leading from Tampa Bay Channel directly north to the vicinity of Mullet Key and with a view to providing a protected harbor and turning basin.

St. Petersburg Harbor, Fla., to provide for a channel up to the depth of 30 feet from the main Tampa Bay ship channel past the port of St. Petersburg in front of the recreation pier.

Hillsboro Inlet, Fla., in the vicinity of Pompano.

Channels through Big Pass and Little Pass, from Clearwater Bay, Fla., to deep water in the Gulf of Mexico.

Sarasota Bay, Fla.: Channel from Caseys Pass (Venice Inlet), through Dona Bay to the bridge on the United States Highway No. 41, including a turning basin at the eastern terminus of the channel.

Hudson River, Fla.

Suwannee River, Ga. and Fla., with a view to improvement in the interest of navigation and flood control.

Channel from the deep water in St. Joseph Sound to, and turning basin at, Ozona, Fla.

Chassahowitska River, Fla.

Crystal River, Fla.

Channel, turning basin, and improvements at Horseshoe, Dixie County, Fla.

Sante Fe River, from bridge on Federal Highway No. 41, near High Springs, to the Suwannee River, and from this bridge upstream to Camp Blanding, Kingsley Lake, Fla.

Waterways from Camp Blanding, Kingsley Lake, Fla., via Black Creek to St. Johns River, and (or) via Black Creek and Doctors Inlet to St. Johns River.

Canal from St. Marks to Tallahassee, Fla.

Chipola River, Ala. and Fla., with a view to its improvement in the interest of navigation, flood control, power, and other related purposes.

Waterway from the Intracoastal Waterway south across Santa Rosa Island, Fla., to a point at or near Deer Point Light.

La Grange Bayou, Fla.

St. Josephs Bay, Fla.

Aucilla River, Fla.

East Pass from the Gulf of Mexico into Choctawhatchee Bay, Fla.

Bayou Texar, Fla.

Pensacola Harbor, Fla.

Entrance to Perdido Bay, Ala. and Fla., from the Gulf of Mexico to deep water in Perdido Bay, via the most practicable route.

Columbus, Ga., to Pensacola, Fla.; waterway via Chattahoochee, Conecuh, and Escambia Rivers.

Waterway from the Escambia River to the Alabama River, Fla. and Ala.

Tombigbee River, Ala. and Miss., and canal connecting the Tombigbee and Tennessee Rivers.

Tennessee, Tombigbee, and Mobile Rivers, with a view to securing a through waterway of 12 feet depth and suitable width between the Ohio River and the Gulf of Mexico.

Fly Creek, Fairhope, Ala.

Channel 40 feet deep, to serve as a deep-water outlet to the Gulf of Mexico from the harbors of Mobile, Ala., and Pascagoula, Biloxi, and Gulfport, Miss.

Pearl River, in the interest of flood control in Pearl River, Marion and Lawrence Counties, Miss.

Pearl River, in the interest of flood control in Hinds County, Miss.

Grand Bayou Pass, La., from the Gulf of Mexico to Buras and Empire.

Bayou Schofield, La., from the Gulf of Mexico to Buras and Empire.

Ship canal to extend from the Mississippi River at a point at or near the city of New Orleans, La., to the Gulf of Mexico, by way of the best available route or routes.

Barge channel in vicinity of Baton Rouge, La., extending from the Mississippi River through Devils Swamp or along its eastern edge.

Grand Bayou, connecting Bayou Boeuf and Bayou Chevreuil, La.

Barataria Bay and connecting channels, Louisiana, to provide a continuous waterway from the Gulf of Mexico to the Intracoastal Waterway.

Bayou Boeuf, La Fourche Parish, La.

Lake Pontchartrain, La., with a view to the construction of a seaplane base in the vicinity of New Orleans and with a view to the protection of the shore line and repairs to the existing protective works on Lake Pontchartrain at Mandeville, La.

For flood control, irrigation, navigation, and drainage, and for the prevention of stream pollution and salt water intrusion, on all streams and bayous in southwest Louisiana, west of the West Atchafalaya Basin protection levee, and south of the latitude of Boyce; on all streams and bayous in Louisiana lying between the East Atchafalaya Basin protection levee and the Mississippi River; and on Amite and Tangipahoa Rivers and tributaries, Louisiana.

Mermentau River, La., from Grand Chenier to the Gulf.

Bell City Drainage Canal, La.

Bayou La Fourche, La., from the Gulf of Mexico to Leeville or to Golden Meadow.

Bayou La Fourche, La., from Donaldsonville to the Intracoastal Waterway, via Bayou Boeuf, Assumption Parish, or other streams, in the interest of navigation, flood control, beneficial uses of water, malarial control, prevention of stream pollution, and of the location of locks at the head of said bayou at or near Donaldsonville, La.

North Prong, Schooner Bayou, Vermilion Parish, La.

Gulf Intracoastal Waterway and connecting streams, lakes, and bays in Louisiana between Bayou Sale Ridge and the Calcasieu River in the interest of navigation, flood control, irrigation and drainage, and for the prevention of stream pollution and salt water intrusion.

The shore of Galveston Bay, Tex., with a view to preventing its erosion.

Galveston Bay and contiguous waters, Texas, with a view to providing a seaplane channel.

Pine Island Bayou, Tex.

Cedar Bayou Pass, Corpus Christi Pass, and Pass at Murdocks Landing, Tex.

Little Bay, Tex.

Sabine River and tributaries, Texas, in the interest of navigation, flood control, and other water uses.

Neches River and tributaries, Texas, in the interest of navigation, flood control, and other water uses.

Big Sandy Creek, Tex.

Cypress Creek, Tex.

Sabine-Neches Waterway, Tex., with a view to further improvements in the interest of navigation and the prevention of damage by floods.

Dickinson Bayou, Tex.

Jones Creek, Tex., with a view to improvement in the interest of navigation and flood control.

Waterway from the Neches River, by way of Pine Island Bayou and extension, to Trinity River, Tex.

Double Bayou, Tex.

Colorado River, Tex.

Waterway from Alvin, Tex., to the Intracoastal Waterway.

Quachita River, with a view to the construction of a dam at or near Rockport, Ark., in the interest of navigation, flood control, and the development of hydroelectric power.

Loosahatchie River, Tenn., from its mouth to the O. K. Robertson Road and including the area west of the Illinois Central Railroad and north of Wolf River, with a view to extending the navigation facilities of Memphis Harbor.

Mississippi River: Davenport (Iowa) harbor of refuge.

Mississippi River at Cassville, Wis.

Mississippi River at Prairie du Chien, Wis.

Mississippi River at Alma, Wis.

Mississippi River at Malden Rock, Wis.

Illinois and Mississippi Canal, Ill.

St. Croix River Basin, Minn. and Wis., including consideration of the construction of dam below the mouth of Kettle River.

Minnesota River, Minn., up to a point 10 miles above New Ulm, with a view to improvement in the interest of navigation and related purposes.

Red River of the North Drainage Basin, Minn., S. Dak., and N. Dak.

Missouri River in South Dakota and North Dakota.

Missouri River in Nebraska.

Allegheny River, up to Olean, N. Y.

Tofte Harbor, Minn.

Grand Portage Harbor, Minn.

Lake Kabetogama, Minn.

Waterway connecting Lake Superior and Lake Michigan, from Au Train Lake to Little Bay de Noc, Mich.

Harbor at mouth of Au Train River, Mich.

Sheldrake Harbor, Mich.

St. Marys River at Sault Ste. Marie, Mich., with a view to providing facilities for light-draft navigation.

Harbor at St. Ignace, Mich.

Kenosha Harbor, Wis.

Mackinac Harbor, Mich.

Gallen River, Berrien County, Mich.

Pine River, Mich.

Pinconning River, Mich.

Clinton River, Mich.

Waterway from Lake Erie, at or near Toledo, Ohio, to the southerly end of Lake Michigan by way of the Maumee River and the city of Fort Wayne, Ind., or other practicable route.

St. Marys River, Ohio and Ind.

Maumee River, Ind. and Ohio.

The coast of Lake Erie, with a view to the establishment of harbors of refuge for light-draft vessels for commercial and/or recreational purposes.

Harbor at Ballast Island, Ohio.

Vermilion Harbor, Ohio, with a view to improvement in the interest of navigation and related purposes.

Rocky River, Ohio.

The south shores of Lake Erie and of Lake Huron with a view to the establishment of harbors and harbors of refuge for light draft commercial and fishing vessels and for recreational craft.

At or near Northeast, Pa., with a view to constructing a harbor of refuge.

Harbor at Hamburg Township, N. Y.

Little River (branch of Niagara River), at Cayuga Island, Niagara Falls, N. Y.

Port Bay, N. Y.

Oswego Harbor, N. Y.

Chaumont River, N. Y.

At and in the vicinity of Henderson, N. Y., with a view to constructing a harbor.

At and in the vicinity of Sackets Harbor, N. Y., with a view to providing additional harbor facilities.

Point Dume, Calif.

Santa Monica Harbor, Calif.

The coast of southern California, with a view to the establishment of harbors for light-draft vessels.

Pillar Point, Half Moon Bay, San Mateo County, Calif.

Monterey Bay, Calif.

Carquinez Strait and Alhambra Creek, Calif., with a view to providing harbor improvements at, and in the vicinity of, Martinez.

Noyo River, Calif.

Napa River, Calif.

Humboldt Bay, Calif.

Bays, inlets, and rivers along the coast of Oregon with a view to providing an adequate number of deep-draft harbors.

Nelscott, Oreg., with a view to protection of the beach.

Harbor at Empire, Oreg.

Alsea Bay, Oreg., with a view to the construction of a harbor of refuge.

Coos Bay, Oreg.

Channel at Charleston, South Slough, Oreg.

Tillamook Bay and Bar, Oreg.

Nehalem Bay and River.

Columbia Slough.

Astoria, Oreg., with a view to the construction of a mooring basin for fishing boats within the harbor.

Willapa Harbor, Wash., with a view to providing a channel to, and turning basin at, Tokeland Dock; also with a view to providing a mooring basin and breakwater at and near Nahcotta Dock, Nahcotta.

Grays Harbor, Wash., with a view to constructing a channel into Bay City.

Grays Harbor, Wash., with a view to providing a breakwater and other improvements at and near Westport.

Grays Harbor, Wash., with a view of providing a deep-sea fishing base at Hoquiam.

Friday Harbor, Wash.

Sitka Harbor, Alaska.

Cordova Harbor, Alaska.

Kodiak Harbor, Alaska.

Neva Strait and Olga Strait, Alaska.

Upper Kvichak River, Alaska.

Skagway Harbor, Alaska.

Valdez Harbor, Alaska, with a view to its improvement, and particularly with respect to the expansion of facilities for harborage of small boats.

Cook Inlet, Alaska, with a view to improvement for navigation, providing harbor facilities for the city of Anchorage, and the development of hydroelectric power.

Anchorage Harbor, Alaska, with a view to its improvement, and with the view of determining the advisability of providing additional harbor facilities for small boats.

Kalaupapa Landing, Island of Molokai, T. H.

Kalepolepa Boat Harbor, Island of Maui, T. H.

Humacao Playa, Punta Santiago, P. R.

Arecibo Harbor, P. R., with a view to determining whether modifications in the authorized project would be desirable.

Christiansted Harbor, St. Croix, V. I., with a view to improvement for navigation.

SEC. 8. The Secretary of War is hereby authorized and directed to ascertain as nearly as can be estimated the amounts of damages resulting to manufacturers on the Oswego River, by the improvement of the Oswego and Erie Canals by the State of New York in accordance with the project adopted by the River and Harbor Act, approved August 30, 1935.

ADDITIONAL REPORTS OF COMMITTEES

The following additional reports of committees were submitted:

By Mr. HILL, from the Committee on Expenditures in the Executive Departments:

H. R. 4547. A bill to amend the act of February 14, 1931, as amended, so as to permit the compensation on a mileage basis, of civilian officers or employees for the use of privately owned airplanes while traveling on official business; without amendment (Rept. No. 1377).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

H. R. 5566. A bill to amend section 502 (a) of the Department of Agriculture Organic Act of 1944; without amendment.

COMPROMISE, ADJUSTMENT, OR CANCELLATION OF INDEBTEDNESS BY SECRETARY OF AGRICULTURE

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 1688) to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes, which was, on page 6, to strike out all of section 5.

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate concur in the House amendment.

Mr. WHITE. Mr. President, will the Senator be good enough to explain the bill?

Mr. THOMAS of Oklahoma. The bill is Senate bill 1688. It authorizes the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness on account of farm-security loans of various kinds, and the section stricken out was section 5 on page 6. Section 5 provided that the Secretary of Agriculture should make a report to the Congress and the House struck out the requirement.

Mr. WHITE. Mr. President, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Oklahoma [Mr. THOMAS].

The motion was agreed to.

CROP INSURANCE

Mr. THOMAS of Oklahoma. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1317, House bill 4911, to amend the Federal Crop Insurance Act.

The PRESIDING OFFICER. The bill will be stated by its title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4911) to amend the Federal Crop Insurance Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments.

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAYBANK submitted an amendment intended to be proposed by him to the bill (H. R. 4911) to amend the Federal Crop Insurance Act, which was ordered to lie on the table and to be printed.

FEDERAL AID FOR POST-WAR HIGHWAY CONSTRUCTION—CONFERENCE REPORT

Mr. MCKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2105)

Dec.

25

[PUBLIC LAW 518—78TH CONGRESS]

[CHAPTER 623—2D SESSION]

[S. 1688]

AN ACT

To authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture, hereinafter referred to as the Secretary, is hereby authorized and directed to compromise, adjust, or cancel indebtedness arising from loans and payments made or credit extended to farmers under the provisions of the several Acts of Congress or programs enumerated in section 2: *Provided*, That the Secretary finds, after such investigation as he deems sufficient to establish the facts, that (1) said indebtedness has been due and payable for five years or more; (2) the debtor is unable to pay said indebtedness in full and has no reasonable prospect of being able to do so; (3) the debtor has acted in good faith in an effort to meet his obligation; and (4) the principal amount of said indebtedness is not in excess of \$1,000. The Secretary is hereby further authorized at his discretion to cancel and discharge indebtedness arising under said Acts of Congress or programs when the amount of said indebtedness is less than \$10, or the debtor is deceased and there is no reasonable prospect of recovering from his estate, or his whereabouts has remained unknown for two years and there is no reasonable prospect of obtaining collection, or he has been discharged of the indebtedness in any proceeding under the Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States". The compromises, adjustments, or cancelations authorized by this section shall be effected through such agencies, upon such terms and conditions, and subject to such regulations, as the Secretary may prescribe, and the Secretary may delegate the exercise of any such powers and functions to such officers or employees of the Department of Agriculture as he may designate.

SEC. 2. The provisions of this Act shall apply to any indebtedness of farmers arising from loans or payments made or credit extended to them under any of the following Acts or programs: (a) July 1, 1918 (40 Stat. 635); March 3, 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467); April 26, 1924 (43 Stat. 110); February 25, 1927 (44 Stat. 1245); February 28, 1927 (44 Stat., part II, 1251); February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78-79), as amended April 24, 1930 (46 Stat. 254); December 20, 1930 (46 Stat. 1032), as amended February 14, 1931 (46 Stat. 1160); February 23, 1931 (46 Stat. 1276); January 22, 1932 (47 Stat. 5); March 3, 1932 (47 Stat. 60); February 4, 1933 (47 Stat. 795); February 23, 1934 (48 Stat. 354); June 19, 1934 (48 Stat. 1056); February 20, 1935 (49 Stat. 28); March 21, 1935 (49 Stat. 50); April 8, 1935 (49 Stat. 115); (Executive Order Numbered 7305); January

29, 1937 (50 Stat. 5); and February 4, 1938 (52 Stat. 27); (b) Agricultural Adjustment Act (of 1933); Bankhead Cotton Act of April 21, 1934, on account of the several cotton tax-exemption certificate pools; Jones-Connally Cattle Act of April 7, 1934; Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934; Kerr Tobacco Act of June 28, 1934, and Public Resolution Numbered 76, approved March 14, 1936; section 32 of the Act of August 24, 1935, and related legislation; Supplemental Appropriation Act, fiscal year 1936; sections 7 to 17 of the Soil Conservation and Domestic Allotment Act; Sugar Act of 1937; sections 303 and 381 (a) of the Agricultural Adjustment Act of 1938 and related or subsequent legislation authorizing parity or price adjustment payments; title IV and title V of the Agricultural Adjustment Act of 1938 and related legislation; any amendment to any of the foregoing Acts heretofore and any other Act of Congress heretofore enacted authorizing payments to farmers under programs administered through the Agricultural Adjustment Agency; (c) Loans made by or through the Resettlement Administration or the Farm Security Administration out of funds appropriated or made available by or pursuant to the following Acts: April 8, 1935 (49 Stat. 115); June 22, 1936 (49 Stat. 1608); February 9, 1937 (50 Stat. 8); June 29, 1937 (50 Stat. 352); The Bankhead-Jones Farm Tenant Act, July 22, 1937 (50 Stat. 522 et seq.); the Water Facilities Act of August 28, 1937 (50 Stat. 869 et seq.); March 2, 1938 (52 Stat. 83, Public Resolution Numbered 80); June 21, 1938 (52 Stat. 809); June 30, 1939 (53 Stat. 927); June 26, 1940 (Public Resolution Numbered 88); flood-restoration loans, Second Deficiency Appropriation Act, 1943 (57 Stat. 537, 542); and subsequent legislation appropriating or making available funds for such loans; commodity loan, purchase, sale, and other programs of the Commodity Credit Corporation; and crop-insurance programs formulated pursuant to title V of the Agricultural Adjustment Act of 1938 (the Federal Crop Insurance Act), and any amendment or supplement thereto heretofore or hereafter enacted. This Act shall also apply to any indebtedness of farmers evidenced by notes or accounts receivable, title to which has been acquired in the liquidation of loans to cooperative associations made under the provisions of the Act of June 15, 1929 (46 Stat. 11).

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to enable the Secretary to carry out the provisions of this Act, and the current and subsequent appropriations to enable the Secretary to administer the respective Acts of Congress or programs to which the aforesaid payments or loans or extensions of credit relate shall also be available for the administrative expenses of carrying out this Act.

SEC. 4. (a) Whoever makes any material representation, knowing it to be false, for the purpose of influencing in any way the action of the Secretary, or of any person acting under his authority, in connection with any compromise, adjustment, or cancelation of indebtedness provided for herein, shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.

(b) No officer or employee of the United States, and no person to whom the Secretary may delegate any power or function under this Act, shall accept any fee, commission, gift, or other consideration, directly or indirectly, for or in connection with any transaction or business related to the compromise, adjustment, or cancelation of indebtedness hereunder. Any person violating the foregoing provision shall, upon conviction thereof, be punished by a fine of not more than \$1,000 or by imprisonment for not more than one year, or both.

Approved December 20, 1944.

